

A FEDERAL PARLIAMENT OF THE BRITISH PEOPLE

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A. McGoun

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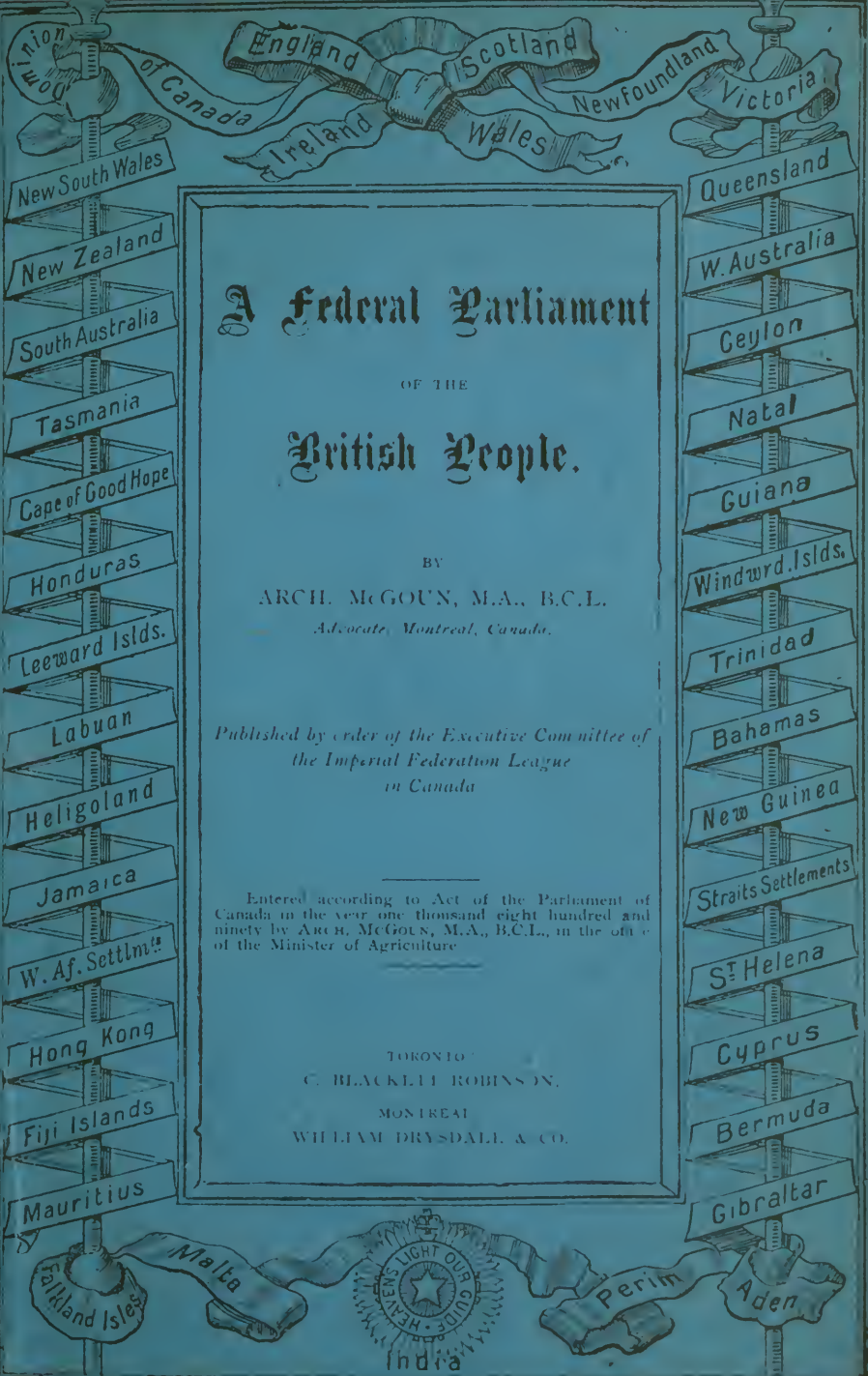
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# A Federal Parliament OF THE British People.

BY  
ARCH. MCGOUN, M.A., B.C.L.  
*Advocate, Montreal, Canada.*

*Published by order of the Executive Committee of  
the Imperial Federation League  
in Canada*

Entered according to Act of the Parliament of  
Canada in the year one thousand eight hundred and  
ninety by ARCH. MCGOUN, M.A., B.C.L., in the office  
of the Minister of Agriculture

TORONTO  
C. BLACKIE ROBINS ON,  
MONTREAL  
WILLIAM DRYSDALE & CO.





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## PREFACE.

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IT is with some anxiety, in view of the utterances of many of the best friends of federation, that the publication of this sketch is ventured upon. So many have declared their opposition to definite plans being put forward, that it almost argues temerity in a federationist to declare what he really means by Imperial Federation. To my mind it seems clear, however, that if we wish to gain the adhesion of practical and thoughtful men, we must try to define our position. National unity is no doubt an attractive idea, but it was not sufficiently definite for the sagacious mind of our deeply regretted founder, Mr. Forster, when he nailed to the mast the declaration that, to prevent disintegration, "Some form of Federation is essential." This is the charter we work under, and if we hope to make real progress we must not shirk the consideration of the question in all its bearings, nor foster the delusion that it can be accomplished without some sacrifices. The necessity of a comprehensive measure arises from the possible danger that may arise from the adoption of partial measures of a nature to greatly increase the difficulties we have to contend with. An illustration of this may be found in some of the suggestions of so true a friend as Mr. Froude, who, in one book, speaks approvingly of the election by a colony of its own Governor or President, and in another berates the Imperial authorities for preventing a commercial arrangement between the British West Indian Islands and the United States which would almost of necessity cut them adrift from the Empire. In order to prevent partial changes of such a character as these, and in order to enable us to decide what reforms can be permitted without danger to our great object, and what must be emphatically condemned whenever they raise their head, friends of federation should, I think, rather encourage the discussion of a definite policy, complete so far as it can be made so, in its general outlines. I am confirmed in the opinion that efforts should be made to secure a thorough-going federal constitution by the example of Alexander Hamilton—the master mind to whose statesmanship the constitution of the United States owes most of its strength, if not its very existence—the most British in his sentiments and methods of

all the early American statesmen—who did not hesitate on several occasions to draw up and to fully discuss projects of a constitution for the seceded colonies, and whose efforts were finally rewarded with such signal success in the calling of a Convention to draw up a Constitution, which was afterwards ratified by the several legislatures of the States now forming, with others, the American Union.

If we were under autocratic rule, these proposals might possibly be better submitted to kings or governments, but as we are under the government of the people, the matter must be submitted to them, which can only be done through the medium of open publication. But not only is open publication and free and thorough discussion necessary to secure the adoption of any plan, but it will very greatly facilitate its harmonious working afterwards, if the principles on which the plan is based are thoroughly understood beforehand, while these principles can only be properly understood if the manner of their application is worked out in detail.

With regard to the tables, I only wish to say that they have been prepared with as great care as I could give to their compilation. But as I was unassisted, and have not been able to revise them all, it is possible some errors in copying may have crept in. I believe, however, that they are substantially correct, and that any errors there may be will not seriously affect the conclusions based upon them. The same remark applies to the analysis of the Commercial Treaties, which was made previous to the Parliamentary return on the subject.



# A FEDERAL PARLIAMENT OF THE BRITISH PEOPLE.

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*Suum cuique tribuere.*

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## NATURE AND MACHINERY OF A FEDERATION.

THE great problem for the British people to solve is how to keep the various countries composing their Empire in permanent union as one nation. Any plan destined to effect this must meet the requirements of a widely complicated political society, and must be conformable to the traditions of the British constitution. The union must embrace many countries, distant from one another geographically, though brought near by the appliances of modern science.

The British Federation must be distinct from a mere race union. Attempts have been made at various times to unite peoples by such a bond. One of the most renowned was the aspiration of the ancient Greeks to perpetuate an isolation of the Hellenes from all the other peoples of the world. The dominant idea in Bismarck's policy has been to create a Pan-Germanic Empire. The endeavour of Russia is to form a union of the Slavonic race. Such an idea is not what we propose. The project of an alliance between all the peoples of the Anglo-Saxon race has been advocated by some not unfriendly to British Federation, who desire, however, to embrace also the people of the United States. An alliance between the British Empire and the United States is a desirable thing in itself, but we can only hope to see it brought about after the consolidation of the British Empire, and more particularly after the people of the United States are convinced that British North America is to remain perpetually an integral portion of the British realm. The expectation that the friendship of the United States would be propitiated by the surrender to them of Canada, or by its being allowed to secede from the Empire to form a temporarily independent State, is altogether destitute of probability. The only result of such an event would be, that the hostility now

sometimes publicly expressed by certain of their public men, would be succeeded by a general sentiment of contempt ; while the statesmanship that will incorporate Canada in the British Empire in such a way that all must recognize that the connexion can never be broken will inspire the respect of Americans and induce them to seek an alliance with the only other great power with which they share the possession of the continent of North America. If we, the British people, wish to gain the respect and good will of the people of the United States, we must do as they did, courageously and boldly work out our own institutions, depending on ourselves alone. We have an easier task before us than had the founders of the American Commonwealth, and where they succeeded we should not fail. But at present the Americans are not seeking our alliance ; they even ostentatiously proclaim that they do not need it. We shall forfeit their respect if we declare ourselves impotent to accomplish our national destiny without their aid, whereas if once they find we have succeeded in consolidating our Empire, without paying the least regard to them in the matter, they will see that we are worthy to be their comrades in future undertakings, and will be disposed to make overtures for a firm and friendly alliance, offensive and defensive, in the interests of peace, liberty and good will among men.

Another reason why a race alliance is not what we seek is that it is opposed to the fundamental principle of Christianity on this subject, as laid down in the words of Paul : " God that made the world and all things therein . . . hath made of one blood all the nations of men to dwell on all the face of the earth." To carry out the aim we have in view, we must enlist the sympathy not of Anglo-Saxons alone, but of the Kelts of Ireland and of the Scottish Highlands, of the French of Lower Canada, of the Dutch of the Cape, and even of the Hindoos and of many other tribes of the far East. The people of the Anglo-Saxon race have no more right to assume sovereignty over the other races of the world, than the Greeks had to class the rest of mankind as barbarians, or than the Slavs or Germans have to-day to assume unlimited sway in the Old World. The Britons themselves, the original possessors of our national name, and their descendants in Cornwall, Wales and elsewhere, are not Anglo-Saxon in race. No heart warms at being called by the name of Anglo-Saxon, while millions throb at the name of Briton.

Again we do not seek a geographical union. Another object of Russia's has been to absorb, *nolens volens*, the small powers with which she is surrounded. The traditional foreign policy of the United States has been, partly by diplomacy, but partly also by conquest, to form a continental union of all the States in North America, if not of the two American continents, and to isolate them from the rest of the world. The same idea appears, to some extent, to influence the people of our own Australian Colonies, who desire to resist the encroachments of European nations in the islands of the sea. We certainly think that, so far as Australians are united in resisting any attempt on the part of any European power to establish penal colonies in the Southern seas or in maintaining inviolate the provisions of any treaty which prevents occupation by other European powers, they are right, and should be supported by the whole force of the Empire. But if they were disposed to claim the right, unless in so far as it may be recognized by treaties between the powers, to exclude foreigners from occupying any of the uninhabited portions of the earth, it seems that such a claim is inconsistent with the dictates of the higher modern civilization. Mere continental or geographical union seems to proceed upon narrow and unjustifiable grounds. It cannot be for the advantage of humanity, that the people of one country or of one continent should shut themselves up within their own borders and isolate themselves from contact or fellowship with the rest of the world, nor has any people a right to curb the development of other nations, when it is not attempted to be carried out in a way that would prove directly or certainly injurious to themselves. It must be remembered that one of the great civilizing influences of the world lies in intercourse between distant nations, and that any agency that brings them into communication or relationship tends to promote a feeling of their common brotherhood.

The British Empire then, as we desire to see it perpetuated, is limited by no considerations of race, by no geographical boundaries. It embraces countries in all parts of the world, and many distinct races. The political idea we desire to keep associated with Federation is the extension of the reign of individual and local liberty, together with the combination of as many peoples as are kindred in heart, in an unbroken, indissoluble union, for the preservation of political rights, and for resisting

injustice and oppression whether of individuals, provinces, nations or races. British Federation must march hand-in-hand with British freedom. The strength of the Empire must lie in the hearts of its people.

The Federation, again, must be a union of many countries and peoples having dissimilar forms of government, and the diversity of form will have to be respected. But the backbone of the whole must be the self-governing countries of the Empire, or, to be more specific, Federation must begin with the United Kingdom, Canada, Australasia and South Africa. With these highly organized political communities, enjoying representative institutions, which have also been extended, in a greater or less degree, to many of the West Indian Islands, are to be associated the vast Empire of the East Indies, and the Crown Colonies distributed over the whole face of the earth. Several of the component parts are themselves federations; others are rapidly becoming, and many must eventually become, such. Therefore it may not be inappropriate to speak of the system we shall propose as a federation of federations, the smaller groups having the character more of State or National Governments, the larger of Imperial, the latter existing for foreign policy chiefly, but preserving also the right to exercise jurisdiction over the relations between the different members of the federation.

It may further be premised that the feeling of friendship arising out of a common history and similar institutions will not alone suffice to establish the Empire upon a firm and enduring basis. To this must be added the conviction that there is a community of interest. The countries of the Empire must be prepared to recognize and to further one another's interests in a very peculiar degree—on every point indeed in which it can be done without injustice or wrong to foreign countries. The recognition of this community of interest is necessary for many reasons, among which it may suffice to mention one only, namely, that the Executive must be sustained by contributions from all the parts, and unless the different contributories are made to feel that they derive some special advantage from membership of the Empire, their contributions will be grudgingly given, and may at some very dangerous and important crisis be withheld.

## IMPERIAL PARLIAMENT.

With these preliminary remarks we shall proceed to consider the machinery by which a federation of the Empire may be carried out. First then, as the basis of all our British institutions is representative government, it seems clear that there must be an Imperial Parliament, containing representatives from all the countries of the Empire, and an Imperial Executive Government for the whole of the Empire, responsible to that parliament.

An Imperial Parliament now exists—a parliament with legal authority among the nations of the world to legislate for the whole Empire. But the weakness of this Parliament consists in the fact that it is not directly representative of any other countries than the United Kingdom of Great Britain and Ireland. To work up, or rather to preserve, a feeling of faith in and loyalty towards this Supreme Parliament, it is necessary that all the people shall know that they are directly represented in it. To make a passing reference to ancient Hebrew history, so long as the nation of Israel remained one united kingdom, the people every year went up to Jerusalem to worship. When Jeroboam had effected a disruption of the kingdom, he set up high places, so that the people would not go up to Jerusalem, well knowing, as an astute politician, that the hearts of the people would be likely to return to the allegiance of their fathers, if every year they met their brethren at the temple for worship. We have now a religion that is not bound by the confines of any temple. The day has come when neither at Jerusalem nor in the Mountain of Samaria alone do men worship God. Religious worship, having become spiritual, has ceased to be a political institution; a long struggle for the advancement of civilization has virtually effected separation between Church and State. But the true lesson we may learn from the conduct of the ancient Hebrew statesmen applies to-day to political institutions as they still do, and ever must, exist. We are accustomed to look to our parliaments, our assemblies of the people, for the redress of national grievances, and for the carrying into effect of national aspirations. Therefore if we are to have lasting national union, we must have representation in an Imperial Parliament to which the eyes of the people will periodically turn. In other words the people of the outlying parts of the Empire must be repre-



sented at Westminster. Whether this representation shall be in the present Parliament of the United Kingdom, or in a new Imperial Parliament, seems to be largely a mere matter of words. If a plan could be devised that would leave, as much as possible, unimpaired the powers and attributes of the existing parliaments of the Empire, it is more likely to meet the requirements of the case, than plans that would create greater disturbance of existing institutions.

The Imperial Parliament, as I think it should be reconstituted, would consist of a House of Commons representative of the people of the whole Empire, and, for the self-governing parts, essentially on a basis of relative population; and of an Upper House also containing representatives from every part of the Empire, whether self-governing or not, in proportion to their contributions to Imperial revenues. It is probable that, at an early date, we shall see the formation, in the several parts of the United Kingdom, of local legislatures, or local municipal institutions with greatly extended powers. Ireland almost immediately must have some species of Home Rule, by means of local representative bodies, subordinate either to the Parliament of the United Kingdom, or to the Parliament of the whole Empire. Similar bodies may have to be created for Scotland and Wales. For England possibly the Local Government measure of Mr. Ritchie, recently passed, may answer the purposes of Provincial Government, or that Kingdom might be redivided into such divisions as the old Heptarchy. These of course are matters for the people of the United Kingdom to determine by themselves. But in any event the general Parliament of the United Kingdom must undoubtedly continue to exist. It seems reasonable however that upon the establishment of local legislative bodies the dimensions of the Parliament of the United Kingdom might be diminished to one-half of its present size. The representation is now about one member for every fifty thousand inhabitants. In the event of the membership being reduced to one member for every one hundred thousand inhabitants, the proportion would be about the same that the membership of the Reichstag in Germany bears to the population of that Empire. Such a change in the Parliament of the United Kingdom would, I think, be desirable, and, in that case, the figures I am about to give for the colonies would also have to be diminished by one-half, but I prefer in



drawing up a scheme to deal, so far as possible, with things as they now exist, and not to make the carrying out of a re-organization of the Empire contingent upon the adoption of radical changes in the present constitution of the Parliament of the United Kingdom, whose membership I shall take as a starting point for the composition of the Imperial body.

#### HOUSE OF COMMONS.

So far as regards the self-governing parts of the Empire, the only satisfactory basis for representation in the popular House will be one of population. This is theoretically the basis recognized for the membership of the House of Commons of the United Kingdom. Some slight modifications exist, and Mr. Gladstone, in discussing the question of Irish representation at the time of introducing the last Franchise Bill, said that the more remote parts should have a greater number than their numerical proportion of representatives on account of their distance from the seat of government. But in dealing with a large subject it is safer to go on definite principles, and it would be more satisfactory to the colonies to have the system settled upon an intelligible basis, which will be adhered to in the future, than to admit modifications intended to cover particular cases.

From the colonial point of view this is only open to one serious objection, and that is the danger they will be in of being out-voted in matters they deem of the highest national importance. As Lord Lansdowne has expressed it, they must have a real, not a sham, voice in the decision of the foreign questions they are interested in. But I do not think it will be contended that to make their influence really effective, each country should have an equal number of votes in the House. That would be fair only if each country was to contribute an equal share to the expense of defending the Empire. I think there are only two essentials for a satisfactory partnership for foreign affairs: First, that the peoples of the different countries composing the Empire have reasonable confidence in one another's spirit of fair play, and secondly, that the representation should be on some equitable and intelligible basis. A decision once come to has to be maintained with the united force of the whole Empire, and to secure the advantage of such force each country can only demand reasonable opportunity of making its views known. The

necessity of having such a united force is obvious from the manner in which the nations of the world are now becoming distributed. The day of small nations is past. Every small or thinly peopled country will consult its own interests best by deciding with what other powers it will make common cause, or with what other nations it will form a united Empire, and having made the choice will exact only reasonable influence in its councils. The safeguard of small communities lies in the well-recognized truth that the interests of all nations are not naturally conflicting, but identical, and what is wanted is the creation of a tribunal which will give opportunity for each part to make its wants known, for we may be confident that, once properly known, they will be respected. No part of the Empire is interested in thwarting or injuring any other part; the danger is that the Imperial authorities should ignore or injure colonial interests from sheer ignorance of what these are. The important thing is not the extent, but the fact, of representation in the Imperial Parliament. It will not be pretended that the interests of British Columbia are neglected or unduly subordinated in the Parliament of Canada, and yet they have but six representatives in a House of 211. The French Colonies are represented in the Chamber of Deputies by 10 members out of 584; in the Senate by 4 members out of 300. Cuba and Porto Rico are also represented in the Spanish Cortes. And yet, even at the outset, the influence of the colonies in the British Commons would be by no means insignificant. The present House of Commons of the United Kingdom consists, besides the Speaker, (Whitaker's Almanac, 1887), of about 313 Conservatives, 189 Gladstonian Liberals, 84 Parnellites, and 81 Unionist Liberals. It is easy to see that the infusion of 150 representative men from the colonies would be a matter of very considerable moment even in voting strength; they could hold the balance of power, and would be able to urge their views and protect their interests in such matters as the New Hebrides question, the Behring Sea seizures, the Canadian fisheries, and the neutrality of the Panama Canal. But again, it must be remembered that after every census the proportion would be readjusted, and as the colonies increase in population much more rapidly than the Mother Country, it will not be so very long before they will wield almost a determining influence in the decision of all questions of foreign policy. And the transition from the existing state of affairs, in which England

alone holds all the authority and pays all the expenses, would be so gradual as to accustom every part of the Empire to it before any very thorough change should have taken place; and while England must be content to see her absolute supremacy give way to a mere senior partnership in a firm, she will have the satisfaction of knowing that at the same time her burdens will be diminished and will be shared by the new members of the firm, and that, although in time she may come to be outnumbered by the colonies combined, there is no prospect of her being so by any single colony or group of colonies.

Another difficulty in adopting this basis of representation relates to the non-self-governing parts of the Empire. It would be manifestly out of the question to give India representation in the Imperial House according to population. It may be an answer to this to say that India is not self-governing, and therefore would not be entitled to representation. But as what we wish to arrive at is a Parliament for the whole Empire, and as the non-self-governing countries have interests to be protected as well as the others, we must try to find some rational principle upon which they also may have their voice heard in Parliament. Moreover, this point has to be considered in the interest of the self-governing colonies themselves, for the latter must know, before entering upon a federal union, whether they have anything to fear from these less developed communities. The question of admitting representatives from these will, of course, be dealt with by the Imperial Parliament at a later stage, but the principles on which it is likely to be determined should be, to some extent, understood, and the effect of such membership after the House is fully constituted considered beforehand.

The United States at the time of the formation of their constitution had a difficulty similar in principle, though less in degree. Certain of the States had a large slave population. The expedient they resorted to was to give representation to the slave States according to their white population, plus three-fifths of their slave population. Now, it is altogether likely that in the British Empire a different rule may have to be adopted for different countries, as will appear from the facts about to be mentioned with regard to the elements of which the population of the different countries is composed. Allowance will no doubt have to be made in the Imperial Houses for the existence of a large population of African and Asiatic races, but in the popu-

lar House their representation cannot be large. In some cases it may suffice to give such colonies double the number of representatives they would be entitled to according to their white or European population, with this proviso: that every colony which has a separate government, directly responsible to the Imperial authorities, should have at least one representative with or without voting power, with at least one additional member whenever the number of the white or European residents exceeds the standard number entitled to a representative in the self-governing countries. But the guiding principle should be that any inhabitant of a self-governing British country should not lose his right to representation for himself or his children when he goes to any British country whatever. The right of representation should only be given to those of other races who are of assured fidelity to the Empire and are deemed fit to be admitted to the full privileges of responsible government in their own countries. In the following rough estimate of the component parts of a complete House of Commons, it is proposed to give, in such cases, full representation to the white or European population, with an addition, upon the grounds to be briefly indicated for the other inhabitants of each country. In many cases my sources of information do not enable me to give the same classification for all. To supply satisfactory data for considering such a question there is urgent need of an Imperial census taken on a uniform principle throughout the entire realm.

The Imperial House of Commons, then, should consist, in the first place, of the entire membership of the House of Commons of the United Kingdom. These members are divided among the several countries as follows:

Country.	Population 1881.	Members.
England .....	24,613,926	465
Wales .....	1,360,513	30
Scotland .....	3,735,573	72
Ireland .....	5,174,836	103
Total .....	<hr/> 34,884,836	<hr/> 670

That is, roughly put: one member for every fifty thousand inhabitants.

The other European dependencies may be named at once :

Country.	Population 1881.	Members.
The Channel Islands .....	88,806	2
The Isle of Man .....	54,089	2
Heligoland ... ..	2,000	1
Gibraltar .....	23,992*	1
Malta and Gozo .....	155,289†	1
Cyprus .....	7,065‡	1
Total.....		8

Canada's membership, elected from the Canadian House of Commons, would be:

Province.	Population 1881.	Members.
Ontario .....	1,923,000	38
Quebec .....	1,359,000	27
Nova Scotia .....	440,000	8
New Brunswick.....	321,000	6
Prince Edward Island.....	109,000	2
Manitoba and the Western Territories	122,000	3
British Columbia, over.....	50,000	2
		—
		86
To complete British North America, add Newfoundland .....	179,000	4
Total.....		90

Australasia also comes under the same rule, as follows :

Colony.	Population 1881.	Members.
Victoria .....	862,000	17
New South Wales.....	751,000	15
South Australia.....	280,000	5
Queensland.....	214,000	5
Western Australia.....	30,000	1
Tasmania .... .	116,000	3
New Zealand .....	490,000	9
		—
		55
Fiji Islands.....	127,000	1
		—
Total.....		56

Next in political development is Cape Colony. Pending the formation of a South African confederation, the different colon-

\* Of whom 18,361 are civilians, and 5,611 military.

† Of whom 149,782 are civilians, including about 24,000 "English and foreigners"; and 5,509 military and their families. The Maltese are of a race somewhat akin to the Arabs.

‡ Of whom 5,149 are Christians, and 1,916 Mohammedans.

ies in that locality may be estimated for representation as follows :

The Cape and dependencies—Total population in 1881, 1,155,344, of whom 249,626 of European descent. Doubling the latter for purposes of representation gives ten members.

Natal—Population in 1881, 378,562; of whom 28,483 white. Doubling these for representation, gives two members.

The other African colonies are West Africa, including Sierra Leone, and Gambia; the Gold Coast, Lagos and St. Helena, having an aggregate population exceeding 600,000, but a small white population, one voting member, with perhaps additional delegates.

Mauritius and Seychelles—Total population 359,874, of whom 116,212 are Christians. These might have three members.

Then comes India. The total population in 1881 was 253,891,821. The number among these speaking the English language was 202,920; of all European languages it was 219,944. The Christian population was: Protestant 531,981; Roman Catholic 963,059, other Christians 367,377, making a total Christian population of 1,862,517. On the basis of doubling the English speaking population, India would be entitled to ten members.

Straits settlements—Total population 423,384, of whom 10,703 whites; one member.

Ceylon—Total population 2,759,738, of whom 4,836 Europeans; one member. The Christian population of Ceylon was 267,977.

Hong Kong had a total population of 160,402, of whom 7,990 Europeans and Americans; one member.

Lastly, we have the colonies in the West Indies and neighbourhood.

Country.	Total Population.	Whites.	Coloured.	Black.	Mem.
Bermudas . . . . .	13,948	5,384	8,564	....	1
Bahamas . . . . .	43,521	....	....	....	1
Turks-Caicos . . . . .	4,778	521	1,123	3,134	1
Jamaica . . . . .	580,804	14,432	121,061	444,386	2
British Honduras . . . . .	27,452	375	27,077	....	1
WINDWARD ISLANDS					
St Lucia . . . . .	38,551	....	....	....	} 1
St. Vincent . . . . .	40,548	2,693	7,176	30,679	
Grenada . . . . .	42,403	....	....	....	
The Grenadines, etc. . . . .		....	....	....	
Barbados . . . . .	171,860	16,054	155,806	....	1



LEEWARD ISLANDS	Total Population.	Whites.	Coloured.	Black.	Mem.
Virgin Islands.....	5,287	52	1,546	3,689	I
St. Christopher.....	29,137	....	....	....	
Nevis.....	11,864	209	....	....	
Antigua.....	34,964	....	....	....	
Montserrat.....	10,083	....	....	....	
Dominica.....	28,211	....	....	....	
Tobago.....	18,051	....	....	....	
Trinidad.....	153,128	....	....	....	I
British Guiana.....	244,530 (of whom Europeans and	....	....	....	I
others).....	....	9,635	....	....	
Total.....	1,499,120	.....	.....	.....	II

The Falkland Islands may now be mentioned. Total population 1,553; one member.

To resume then, the full membership would be, according as we adopted the present membership of the House of Commons, or its reduction to half its present size :

England.....	465 or 233
Wales.....	30 " 15
Scotland.....	72 " 36
Ireland.....	103 " 52
Other European Places.....	8 " 6
Canada and Newfoundland.....	90 " 47
Australasia.....	56 " 34
South Africa.....	12 " 6
Mauritius, etc.....	4 " 3
East Indies.....	12 " 6
Hong Kong.....	1 " 1
West Indies.....	11 " 11
Falkland Islands.....	1 " 1
Total.....	864 " 451

The disproportion between the several parts is not greater than between the several states forming the German Empire. These states are 26 in number and differ in their form of government, there being 4 kingdoms, 6 grand duchies, 5 duchies, 7 principalities, 3 free towns and an Imperial territory.

The representation is as follows :

Country.	Government.	Deputies in Reichstag.
1 Prussia.....	K	236
2 Bavaria.....	K	48
3 Saxony.....	K	23
4 Wurtemberg.....	K	17
5 Alsace Lorraine.....	IT	15
6 Baden.....	GD	14
7 Hesse.....	GD	9
8 Mecklenburg-Schwerin.....	GD	6
9 * Hamburg.....	FT	3

	Country	Government.	Deputies in Reichstag.
10	Brunswick.....	D	3
11	Oldenberg .....	GD	3
12	Saxe-weimar. . . . .	GD	3
13	Anhalt .....	D	2
14	Saxe-Meiningen .....	D	2
15	Saxe-Cobourg Gotha .....	D	2
16	Saxe-Altenburg .....	D	1
17	Bremen .....	FT	1
18	Lippe .....	P	1
19	Mecklenburg-Strelitz .....	GD	1
20	Reuss-Gera .....	P	1
21	Schwartzburg-Rudolstadt .....	P	1
22	Schwartzburg-Sondershausen .....	P	1
23	Lubeck .....	FT	1
24	Waldeck .....	P	1
25	Reuss-Greiz .....	P	1
26	Schaumburg-Lippe .....	P	1

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## NOTES.

The object of making the whole of the members of the House of Commons of the United Kingdom members of the Imperial House of Commons is to render the transition from the present state of affairs, in which the former really are the Imperial House, more easy and natural, and also to preserve the greatest possible degree of harmony between the Imperial and the National Parliaments. It is, no doubt, a great evil that Imperial and purely local or parochial matters should become mixed up, but there would be more difficulty in at once divorcing the larger national affairs from the Imperial. The same thing will be found to be true of the Canadian House of Commons, which is at present charged with the most important national affairs of the country. It would be most satisfactory for the Imperial matters in which Canada is concerned to be dealt with by the same men as are elected to the Dominion House. In principle, then, the Imperial Parliament would be an amalgamation of the various Parliaments. In order to effect this completely the whole membership of the Colonial Houses of Parliament should also become members of the Imperial, but as it would be evidently inconvenient to carry this out, and as the proportions would, in that case, not be properly adjusted, it seems more feasible that the Imperial members for the colonies be chosen from amongst their own members by the Colonial Houses of Commons, but this should be in such a way that the Imperial membership will be a faithful reflex of the opinions of the whole of the members

of the Colonial Houses. Colonial members in the Imperial House should therefore be elected not directly by the people, but by the several National or Dominion Legislatures, and, so far as possible, from among their own members. In Canada the eighty-six members of the Imperial House of Commons should be elected by the Canadian House of Commons, and upon such a system of voting that minorities both of party and of province be fully represented. The choice of the members in the Imperial House from among the members of the Colonial Houses would have the advantage, besides that of keeping the Imperial and National Parliaments in touch, that it would not increase the number of legislators, for thoughtful men in the colonies are disposed to think that they have already quite a large enough number of men engaged in the business of legislation.

For Australia it is to be hoped that at an early date a Central Parliament with wide powers, similar to those of the Canadian, may be formed, but in the meantime the purely Federal Council is so small in its membership, and its powers are so limited, that it would hardly serve as a basis of representation in the Imperial House, not to speak of the fact that three important colonies of Australasia have not entered into the Federal Union. The representatives from Australasia would therefore have to be selected by the members of the Assemblies of the respective colonies, which themselves enjoy in detail, as the Canadian Provinces formerly did, most of the powers now exercised by both the Dominion Parliament and the Provincial Legislatures in Canada. The same rule would apply to South Africa and to certain of the British West India Islands. The representatives from the East Indies and from the colonies throughout the world which have not representative institutions would have to be selected upon a basis to be determined by the Imperial Parliament, whenever it was considered that they were ripe for admission as members of the Federation. The Federation of the British Empire must, of course, like other steps in our constitutional history, proceed by slow degrees, and it would not be necessary or expedient to admit all the colonies at once, but each only when it is deemed to have advanced sufficiently in political development. In this respect we should follow, to a large extent, the example of the United States. In addition to the organized and constitutionally represented States, there are still in the American Union large territories left, most of which

are as yet thinly peopled and are governed from the Central Congress without full representation, the organized territories sending delegates, however, who attend the Legislature but do not vote. But there is at least one exception to the ordinary rule, namely, Utah, which has a population large enough to entitle it to be made a regular State, but this has not been done, and it is excluded and kept in tutelage, owing to the existence of polygamy among its people, which, it is believed, would be permanently legalized if the subject came under the control of the local authorities, marriage not being a subject reserved for Congress to deal with.

A remark may perhaps be necessary upon the great dimensions of the House itself. If this scheme were carried into effect, the House of Commons would have a membership of over eight hundred members. I have already stated that I should be glad to see the House of Commons of the United Kingdom cut down to half its size, upon the establishment of local legislatures or other representative bodies for the several parts of the United Kingdom. In that case the number of members of all the other countries, except the smallest colonies, would also be diminished by one-half, but unless simultaneously or previously such a change be adopted in the Parliament of the United Kingdom, the inconvenience of disturbing the present membership would be greater than that of retaining it as it stands. And I do not think it would be satisfactory that one part of the members of the English House should be members of the Imperial and the rest not; because in that case the more numerous body would be likely to attempt to override the less numerous, and to treat it somewhat as if it were one of its own committees. But whatever be decided in that regard, the House must in any event be a large one, and it is worth while pointing out certain advantages that a large assembly would have. The colonies are interested in being largely represented. "In the multitude of counsellors there is safety," and coming into a new sphere the colonial members will be all the better of the moral strength of considerable numbers to make their influence felt; the members could confer together and support one another, and there is little doubt that they would have the discretion to choose as their spokesman, as a rule, only their leading men. It might seem, if we were reasoning in the absence of facts, that a House of eight or nine hundred members would be too large

to transact business, but it would certainly be no more so than the present House of six hundred and seventy, or the old House of Commons of six hundred and fifty-eight. The number of members in the French Chamber of Deputies is five hundred and eighty-four. When we come to deal with such large numbers the exact membership does not make any real difference. And notwithstanding the recent cases of obstruction, the record of the House of Commons is good. It has worked more harmoniously than, I believe, any public assembly the world has ever seen. When obstruction ceases, business could be satisfactorily done, and so soon as a reasonable measure of Home Rule has been granted to Ireland, there is every reason to believe that obstruction will forever disappear.

For the place of meeting, it is true that the present House is too small to accommodate such numbers; it is too small even for the House as it stands. It is indeed a crying disgrace that not more than two-thirds of the present members of the House of Commons can find seats. But there is nothing to prevent Parliament being moved into Westminster Hall, which could accommodate five thousand if necessary. That has been the place of assembly of great national conventions before now, and was at one time the House of Parliament itself. And there is one of the great functions that would be better discharged in such a place than in the present. There would be exerted an educational influence of great value, if the speeches that are delivered in the great National Assembly could be heard by larger numbers. Statesmen of the Empire might wield something of the influence of the elder Pitt if they could address representative assemblies of eight or nine hundred men from all parts of the Empire, everyone of whom could carry home the inspiration he himself had received from the stately eloquence he had heard in the Chambers. Why should the great speeches of our statesmen be addressed to a few reporters, when, like the sermons of our great preachers, they might as well be heard by thousands of their fellow-countrymen?

But if it were found, on experiment, that the House was too large for parliamentary work, when the time came for the first readjustment, which would have to take place after every census, the membership could then be reduced, and a maximum number fixed, as is now the case in the Congress of the United States. As to the time of meeting, it should probably be once

a year. And in order to enable the various local Houses to accomodate their sessions to it, the Imperial House might meet on a fixed date every year, subject of course, to be called again should urgent public business require it. Fixity of date is the practice in the United State Congress. This would enable members so to dispose their business that they would be able to attend. The Parliament of the United Kingdom would have to arrange, so that if they had any business unfinished when the day for the meeting of the Imperial Parliament came, it should be put over; for colonial members must not be brought thousands of miles to be kept waiting until business, in which they have no interest, is settled. The usual time of meeting of the principal colonial Parliaments is at a different time of the year from that of the present Imperial Parliament.

The members, and especially the members from outside the United Kingdom, would have to be paid. The colonies have no class of persons who have accumulated fortunes, and even if they had, their choice should not be restricted to such. To get the best men, and really representative men, a reasonable amount would have to be offered. The members of the House of Commons of Canada now receive one thousand dollars, or two hundred pounds sterling, a year. In Victoria the amount is £300. Those whom they select to represent them in the Imperial House, should receive from two thousand to five thousand dollars, or from four hundred to one thousand pounds, according to the probable length of time they would be engaged in their legislative duties. The amount received by every member of the Senate and of the House of Representatives in the United States Congress is five thousand dollars. This sum would be sufficient to indemnify even members from Australia, who would necessarily be absent from home for a considerable time, though there seems no good reason why the sea voyage from the remotest part in Australia should not soon be reduced to thirty and by and by to twenty days' duration. In addition to this, members might be allowed necessary travelling outlay and also free postal and telegraphic facilities for all business, public and private, during the session of parliament, and for public business out of session. This is an advantage that could be accorded them without necessarily imposing any great new expense upon the Empire; for it should be exacted as a return for the subsidies to be paid the steamship and telegraph companies.



And when the cable from Vancouver to Australia, thence to India and South and West Africa is completed, such telegraphic facilities could be obtained from a line exclusively (except at one point, the Sandwich Islands, in mid Pacific Ocean) on purely British territory. And if any difficulties were put in the way by the Hawaiian Government, the resting point could be made in the adjacent British Islands of Christmas, Fanning, Malden or Carlsline, which would divide the distance between Vancouver and Auckland, New Zealand, still more evenly. On such conditions, the services of the very best men from the colonies could be secured. And to these the advantage of meeting in the metropolis of the world once a year, would be no small inducement. Many of our best lawyers visit London for Privy Council business nearly every year. Every commercial house of any importance has a buyer, and many will soon have sellers for the English markets. The heads of many of these houses cross every year, and the amount of intra-Imperial trade that would be promoted by reason of the visits of such representatives would far more than compensate the people of the Empire for the trifling expense such charges would involve. And surely the business of managing the affairs of a world-wide Empire would be of sufficient importance to justify sending ninety men from Canada and sixty from Australia once a year.

One other point that has to be considered in connexion with this subject is whether, if representation is according to the numbers of the people, taxation should not be upon the same basis. The authorities will be found to agree, I think, that this is not necessary. Mr. Gladstone, in the recent discussion on the proposed Irish legislation, while expressing his willingness to retain Irish representatives at Westminster, or to re-call them for the purpose of voting upon Imperial questions in which Ireland was particularly interested, proposed to do so on the same basis as that on which they had been heretofore elected, namely, of population, and at the same time he expressly lays down in the measure he submitted, that taxation for Imperial purposes should be, not in proportion to their numbers, but in proportion to their ability to pay, to their resources; and he made several estimates to arrive at the relative wealth of the two countries; and finally, although their population is about one-seventh of that of the United Kingdom, he makes their contribution only one-fifteenth. I think it will be generally

recognized that it is not necessary that taxation and representation should be upon the same footing. At the present moment the colonies pay nothing directly, and it would be too much to saddle them all at once with their full numerical proportion. It should only be provided that both taxation and representation should be upon some basis susceptible of re-adjustment, so that both numbers and wealth may be properly taken into consideration. And this brings us to consider the basis for the constitution of the Upper House.

#### THE UPPER HOUSE.

Here it is again to be remembered that we are to preserve, as far as possible, existing institutions, and therefore, unless the House of Lords be abolished, it must be taken as the basis of any proposed Upper Chamber. The Senate of the United States is composed of two members elected by each of the States of the Union, and elected not by the people but by the local legislatures. That system was perhaps tolerably well adapted to the condition of the people of the United States at the time of forming their constitution; there was not at that time any great disparity in the population or importance of the several Colonies. But such a condition of affairs does not exist in the British Empire, and even in the United States it has come to be anomalous. For it seems unjust that a small State like Rhode Island, contributing comparatively little to the general exchequer, should have the same voice in determining questions that come before that assembly and in subjecting the other states to serious undertakings as the "Empire State" of New York, which contributes a large proportion of the whole. We should at all events first consider what is the basis of the House of Lords, and find out whether it could not be adapted to the altered condition of affairs, induced by the admission of the Colonies to Imperial representation. It is sometimes asserted that the House of Lords is not a representative assembly at all, but this is not quite correct. In a rough way it is, and is intended to be, representative of the wealth of the country—chiefly it is true, of the landed wealth, but not exclusively—and its restriction to one class is its greatest weakness; for certainly in principle it does not seem right that any particular class should have special representation in a national assembly. But

the House of Lords could be easily modified so that it would represent the whole of the people, not in proportion to their numbers, but in proportion to the amount of taxes they pay. If the House of Lords were made elective, and the income tax made the basis of voting, a complete reformation in the character of the House could be effected, without in any serious degree altering its *personnel*. To effect this, every man who pays income or other direct tax should have, in elections for the Upper House, one vote for every unit of taxation he pays, and this would make it safe to give every tax-payer a single vote in elections for the House of Commons. Such a rule would ensure the election to the Upper House of all its present members who have evinced any decided talent for public affairs, and have gained public confidence; and these would be supplemented by a membership of other well qualified persons, who would be representative of the national wealth. As is remarked by David Hume (History of England, vol. 3, ch. 97, Murray's re-print), "The advantages that result from opulence are so solid and real, that those who are possessed of them need not dread the near approach of their inferiors. The distinctions of birth and title being more empty and imaginary soon vanish upon familiar access and acquaintance." In these days wealth is forcing its own recognition in every sphere of life; and it is for the public advantage that some legitimate manner should be provided by which this influence can be made felt, otherwise it will continue to seek illegitimate avenues. And yet it is not as possessors of wealth, but it is as contributories to the National Treasury, that men should be recognized, and this being their title to vote, criticism would be disarmed, and the moral strength of the Upper House would be greatly increased. The right of representation according to interest or contribution, is already familiar to the commercial mind, in joint stock companies, where every shareholder has votes in proportion to the amount of stock he holds; and this appeals directly to the sense of fair play among men. A house so constituted would be representative of the honesty as well as of the wealth of the country, for the man who declared truly the amount of his income would have more votes than the man of the same fortune who concealed a part of his in order to escape taxation. If the House of Lords were constituted in this manner, it is probable that some change in the practice that has grown up, of denying to

the Upper House any direct voice in the consideration of money bills should be modified, and money bills be placed upon precisely the same footing as all other measures considered by Parliament, and the two Houses should be absolutely co-ordinate, endowed with equal right to consider, modify or reject all bills.

If the people of the United Kingdom desire that the House of Lords, as at present constituted, should be retained for the United Kingdom alone, it would be possible to carry out the idea here suggested for the Imperial second chamber, by making only members of the House of Lords eligible as candidates for election to the Imperial House of Contributories. The Colonies would have little objection to such an arrangement as applied to the representatives of the United Kingdom. But they would not be likely to favour the idea of their own choice being restricted to hereditary or nominated peers.

If this basis were adopted for the House of Lords and in the election of members of the Upper Houses in the Colonies, it would seem natural that the Colonies and dependencies of the Empire should be represented in the Imperial Upper House in proportion to the amount of their contributions to the Imperial Exchequer. Members from the self-governing Colonies would naturally in that case be elected, from amongst their own members, by the members of the Colonial Upper Houses if they were constituted on a similar principle. Representation of the Colonies in Parliament according to contribution was suggested, before the loss of the American Colonies, by Adam Smith, and had the suggestion been adopted, it might then have prevented the disruption of the Empire.

We should then have two representative assemblies : one representative of numbers, the other of contributions. The House of Commons and the House of Contributories. In order to prevent frequent deadlocks between the two, it might be provided that in case a measure should be carried in one House and lost in the other, if the proportion of members by which it was carried in the one was greater than the proportion by which it was lost in the other, then it should be carried : if the other way, then it should be lost ; the whole, subject to the power of the Sovereign to dissolve Parliament and appeal to the people. This would preserve the purely democratic character of the legislation of the future.

Eventually I think Mr. Gladstone's idea, by which the two chambers should deliberate in the same House, but should vote separately, would be found the most efficacious, as it would enable every man to hear all the arguments by which every other man was influenced, and would bring the Prime Minister and every member of the Government directly into contact with the people's representatives; but that would not be a necessary element in the constitution of the Parliament.

The Upper House might be elected for a definite term of years, say six as the Senate of the United States, or nine as the Senate of France, and might or might not be dissolved when the House of Commons was. There might also be a maximum of the number of members fixed. The present membership of the House of Lords is nominally about 513, and 500 would perhaps be a convenient number to fix permanently. For distribution, see further on, where the contributions of the several countries are considered.

On the dissolution of the Imperial House, it would devolve upon the Governors-General in the several countries in which the Imperial members were elected by the local houses of Parliament to decide whether at once to dissolve those local houses in order that appeal might be direct to the people, or to cause a new election to be made from the then existing local houses. In this matter the Governor-General would be guided, on the one hand by the advice of his ministers in the Colony, and on the other by his instructions from the Imperial Government.

#### EXECUTIVE AUTHORITY.

The Executive Government of the Empire would have to be kept distinct from that of the United Kingdom. It might or might not contain members of the governments of the United Kingdom or of the Colonies; probably at the outset it should. But it should contain representatives from each part of the Empire; and it is here that the principle of proportionate representation could be departed from. The Cabinet offices should be divided more evenly among the great divisions of the Empire. The United Kingdom need not necessarily have the majority of the offices. Indeed, in the Cabinet it would probably be wise to adopt something of the idea of the Constitution of the Senate of the United States, and let each great portion be more or less equally represented. If the colonies are to have



representation in Parliament only according to population or resources, they are the more interested in having a distinct and definite part in the initiation of the business laid before Parliament. This need not be provided for by statute. It would be safe to trust to the practical wisdom of the Sovereign, or of the Chief Magistrate, acting by the advice of his council. This Cabinet would, of course, be responsible to the Imperial Parliament alone. So long as the Imperial Parliament consists of members of the Parliament of the United Kingdom and of members elected by the Parliaments of the colonies, the members of the Cabinet should, no doubt, be chosen so far as possible from among the members of that political party which was in the ascendency in each country, that is to say, from the several national ministerial parties. This would possibly be somewhat difficult, as we might have a Liberal Ministry in office in England, a Conservative in Canada, and a Liberal-Conservative in Australia, but a Government so composed would have the advantage of being in harmony with the Government of each country, would tend to break up ordinary party political lines, and would thus be more likely to induce the Imperial Parliament itself to judge the ministerial policy on its merits, and not according merely to the party traditions of the members of the governments. It would in fact to some extent have the effect of securing government without party, which is what many eminent writers have long contended for.

#### POWERS OF THE IMPERIAL PARLIAMENT.

We come now to consider the subjects upon which the Imperial Parliament should legislate. In this we shall be principally guided by the Constitution of Canada as established by the British North America Act, 1867, the Constitution of the United States, and the Bill introduced by Mr. Gladstone for the future government of Ireland. These powers may be classified generally under two heads: the relations between the different countries of the Empire, and the relations with foreign countries. It may be expedient to attempt a more specific classification of the subjects that would have thus to be dealt with by this authority. The Imperial Parliament would remain as it now is, the original fountain-head of all political power in the Empire, but would not attempt to exercise its functions directly



except upon certain reserved subjects of very general interest. Its other powers would be delegated to statutory parliaments of the United Kingdom, of the Dominion of Canada, of the Confederation of Australasia, etc. In general terms, the Imperial Parliament should reserve to itself the exclusive right to legislate upon such subjects as are mentioned in the following paragraphs :

1. The status and dignity of the Crown or regency. The right to depose the Sovereign, and to elect for life, or for a term of years, the Sovereign or Chief Magistrate of the Empire.

2. The selection and appointment of the Viceroy or the Governor-General to any colony, or of any person to whom powers of the Sovereign are to be delegated.

3. Treason, alienage, and naturalization.

4. Relations between different parts of the Empire ; including making of amendments, on the request of the several countries, of their constitutional acts ; aiding and regulating the transference of population from over populated to thinly settled districts, and like subjects.

5. Regulation of trade, when extending beyond the limits of one country in the Empire.

6. Postal, telegraphic and transport service beyond the limits of a single country of the Empire.

7. Currency, coinage, legal tender, weights and measures.

8. Making of peace and war, and passing laws as to prizes and booty, and as to offences against the laws of nations or against treaties with foreign powers, or offences committed on the high seas, and all offences within the cognizance of the Courts of Admiralty, also the constitution of Courts of Admiralty.

9. Treaties and relations with foreign powers, including commercial treaties and the ratification of agreements between any one country of the Empire and any foreign power.

10. The army, navy, militia, volunteers and other naval or military forces for the defence of the realm. Also the diplomatic and consular services, in all their branches.

11. Remodelling the judicial committee of the Privy Council, or otherwise erecting a Court for the trial, in last resort, of constitutional cases.

12. The raising of money by any system or mode of taxation on the whole or any part of the Empire.

13. The Imperial Executive would moreover retain the right,

subject to accountability to the Imperial Parliament, to disallow any act of the various Parliaments of the Empire that were oppressive of minorities or inconsistent with the general interests.

14. The various National or Dominion Parliaments should be expressly prohibited from discriminating in their tariffs against any part of the British Empire or giving advantages, not granted to the whole of the British Empire, to any country that does not contribute to the maintenance and support of the forces of the British Empire.

Several of these require some comment. Under the first head is mentioned the right to depose the sovereign. This is a contingency that may well arise under a thoroughly democratic constitution. So long as the Sovereign respects the limits of the constitution, as Her Majesty has invariably done; and should the Prince of Wales show like respect for constitutional authority, as he appears heretofore altogether disposed to do, there is not likely to be any general desire for a change in the headship of the Empire. On the contrary the personal attachment and devotion of the people to the Sovereign is one of the strongest ties uniting the people of our Empire together. The course consistently followed by our Queen has endeared her to the heart of every true British subject, and millions would die in her defence, were the sacrifice demanded. The Prince of Wales has also established a firm hold upon the affections of the people. All this, however, largely depends upon the personal character of the reigning sovereign. The devotion of the American army after the revolutionary war to George Washington, their general, was for a long time the chief bond uniting the seceded Colonies together, and their best statesmen recognized the danger of trusting to so precarious a bond. Moreover, looking back to our own history, it must be manifest that the arbitrary conduct of former kings, even as late as George III., could not be tolerated; and the precocious malevolence of the young German Emperor shows how real such a danger may be, even in the present day. If, then, for any reason, a change should have to be made in this office, it is manifest that it should be with the full participation and concurrence of representatives of every part of the realm.

Under this head would also come the obligation of making provision for the sovereign or chief magistrate. If the people of the United Kingdom desire to continue their present system of

dealing with this matter, by making periodical votes for the maintenance of the members of the Royal Family, the Colonies probably ought to have nothing to say on the matter. But it is necessary to touch incidentally on this question, because although perhaps little may be said about it, this really constitutes one of the most serious obstacles in the way of democratic communities, like the self-governing Colonies, looking with favour upon projects for closer union with the Mother Country.

The Imperial House will undoubtedly be willing to make provision, and ample and generous provision, for all its officers, including the sovereign, but it will consent only to pay for services performed to the Empire, and not to making grants, as commutation for lands surrendered by the predecessors of the sovereign to the nation. Indeed, it would simplify the task of those who wish to gain the support of the Colonists, if the present British Parliament would re-convey to the Queen's family whatever should rightfully belong to them as private property, and allow them to administer it themselves, and pay the sovereign only a fixed sum, like that paid to the President of the French Republic. No doubt there were good reasons at the time it was done for taking over the royal domain, and administering it for the benefit of the nation, making in lieu thereof provision for the Royal Family by Parliamentary grant, for then it seemed the only feasible means of preventing the sovereign rendering himself independent of the people and of their representatives. But now the advance of responsible Government has gone so far that there is no longer any danger from that source, and the prevalence of the system only gives rise to popular discontent and envy when, even in appearance, moneys that belong to the people are voted away for members of the Royal Family without any ostensible advantage to the nation. In any event the people of the Colonies will not consent to a system that will involve their paying anything but fair remuneration, even to the head of the Empire.

2nd. The appointment of the Governor-General of a Colony should clearly be made by the Imperial body. The vesting of this power in a thoroughly representative Imperial Government is the only satisfactory answer that can be made to the demand that occasionally arises among the people in some of the Colonies, that they have the right to elect their own Governor-General; a right that should on no account be conceded.

3rd. While treason, alienage and naturalization should be dealt with in the Imperial House, it would be understood that laws already passed in the several Parliaments should be recognized until superseded by a general law or laws, and the Imperial Parliament might, if it thought fit, prescribe different conditions of residence, etc., to effect naturalization in different parts of the Empire.

4th. The authority to control constitutional amendments should be vested in the Imperial Parliament as a necessary safeguard for the protection of minorities. And this is a subject in regard to which the advantage of an Imperial Parliament is most signally manifest, for it must be clear that such matters could be much better dealt with in a House where the representatives of the country interested are known to the other members, than by the present Parliament and Government, after simply receiving petitions and counter petitions from the several classes whose interests are involved.

The subject of emigration, again, or more properly, of migration, is one of the greatest possible importance, and one that requires the widest possible knowledge of the resources of the countries of the Empire. The presence of Colonial representatives in the United Kingdom, able to give proper information as to the wants of their respective countries, would be one of the most valuable features in any system of federation. And the immense sums that are now squandered almost uselessly on this object could be laid out to the best possible advantage; and it would soon result that the Western Territories of Canada, and the unoccupied portions of other Colonies, would be filled up with a population of the most desirable kind. And markets for the consumption of the fruits of home industry would be created and kept in constant touch with the source of supply, and thus an impetus would be given, altogether incapable of being calculated now, to trade throughout the Empire. And besides the transference of agricultural and other emigrants to the self-governing Colonies, there is also a well-defined movement of migration from the East Indies to Mauritius, to the West Indies, to British Guiana and elsewhere going on, and very largely without any system of general supervision.

5th. In regard to regulation of trade beyond the limits of a single country, the "Dominion" or national parliaments might continue to make laws of trade mark, patent right, copyright,

etc., applicable within their own limits, and such laws should be superseded only in case of an Imperial Act being passed and declared applicable to the whole or to certain parts of the Empire. The Imperial Parliament should also give legislative authority to any treaty or agreement between two countries of the Empire, by which they might undertake, otherwise than by the mere alteration of their tariffs (which would remain, subject to the restriction above mentioned and commented upon below, within the exclusive control of the several national parliaments), to grant each other advantages. Its ratification would also be required to give validity to a zollverein among the Colonies and adjacent states of South Africa and the like.

6th. This would cover the case of subsidizing lines of steamers for carrying mails and passengers, and of providing telegraphic facilities.

7th. The Imperial Parliament should have the right to pass a law of uniform currency, coinage, legal tender, and weights and measures. ; and it would be even advantageous if they could, in concert with the United States, France and the Latin union, Germany, and the other civilized countries, agree upon a system of universal application. But until these things were done the laws of the several national parliaments would remain in force.

8th. The controlling of peace and war is evidently the supreme object of the formation of a federation.

9th. The controlling of matters relating to treaties with foreign countries need not prevent, but might facilitate, the appointment of representatives of a single country of the Empire to negotiate directly with the foreign country for treaties in which other parts of the Empire were not necessarily directly interested, but which would still have to be enforced by the Imperial authority. But it is of the first importance that all the foreign relations of the Empire should be kept as a part of one harmonious system ; and it is evident that all the countries of the Empire should be constitutionally heard in regard to all treaties, since, in case of war arising out of their infraction, they might be prejudicially affected. Possible cases coming under this head are such as the New Hebrides matter, the Canadian fisheries, the Behring Sea seizures, and one likely to be of still greater importance, that of preserving the neutrality, when built, of the Panama or Nicaragua Canal. The Mother Country, Australia, and South Africa are greatly



interested in this question, as being one of the principal routes connecting them with one another. South Africa would need such a canal for her trade with Canada and the Eastern States of the American Union; and Canada, both for these reasons and also as having the same interest as the United States in having communication by the shortest sea route between her Atlantic and her Pacific provinces.

10th. Although the Imperial Parliament should control the naval and military forces, the several State or Dominion Parliaments might have the power, in the same way as the States of the American Union, of training the militia according to the discipline prescribed by the Imperial authorities, and the right to call out such portion of the forces as were within their limits, for the suppression of an insurrection in the country or to resist sudden invasion. But it is manifestly in the interest of the efficiency, as well as the economical management of all these forces, that they should form a part of a well-organized and well-disciplined system, and it would be more satisfactory to the colonial troops, naval and military, that they should have the widest possible field for experience, and should be entitled to promotion in the forces of the whole realm. A distinction might be made providing that the State or Dominion Parliaments should have the general control of internal, and the Imperial of external defence.

11th. The Judicial Committee of the Privy Council should contain members appointed from among the judges of all the different countries of the Empire. It might also be found advantageous to make it the duty of the Judicial Committee to declare any unjust act of any subordinate parliament, even when constitutional, to be in violation of sound principles of legislation. The object of this would be the same as that sought to be gained by the provision of the constitution of the United States which declares *ex post facto* laws, and laws in violation of a private contract and certain other matters, unconstitutional, leaving it to the judiciary to declare them so and set them aside. It would be more in accordance with British principles to confine the province of the judiciary to declaring such acts contrary to sound principles of legislation, leaving it to the Queen-in-Council or the Governor-General, as the case might be, to disallow them. The British Parliament has always exercised absolute right of legislation in every case. But when it delegates powers of legis-



lation to subordinate parliaments, it is well that there should be some provision of this nature ; and the duty of the judges, if the plan suggested were adopted, would be simply so declare the vicious character of Acts, and to recommend their disallowance, while the parliament itself would hold the government responsible for every act of disallowance.

12th. On the right of taxation, the constitution of the United States, Article I., provides that all taxation, direct (Section 2) and indirect (Section 8) shall be uniform throughout the States, and in proportion to the numbers of their people. The relations between the different countries of the British Empire do not admit of any such uniform rule being laid down, either for representation or taxation. Moreover, wars may arise and imperial expenses may be incurred, in which certain portions only of the Empire have any appreciable interest, and it would be productive of friction if such expenses were to be saddled upon all countries alike. Therefore Parliament should have the power to make special assessments on any part of the Empire, in case of local wars or expenses. This would of course be subject to the duty incumbent on the whole, to present an unbroken front to the enemy, and would apply solely to the relations between the different countries of the Empire in their internal administration and the equitable apportionment among them of Imperial expenses.

13th. The right of disallowing any Act passed by any Parliament or Local Legislature throughout the realm should be retained in the most absolute form. This is necessary both for the protection of general or Imperial interests, and for the protection of minorities in different countries, either of which may be imperilled through Acts rigidly constitutional, but which were not contemplated at the time of granting the powers to these statutory Parliaments or Legislatures. This right as regards disallowance of Acts of the Dominion Parliament by the Queen is limited at present to two years, and as regards the disallowance of Acts of the Provincial Legislatures by the Governor-General of Canada, it is limited to one year. This time limit seems unwise, as frequently the dangerous or oppressive character of local laws is not perceived until long after they are passed ; and it may be presumed that if disallowance were resorted to only, or generally, on the recommendation of the chief Court of Judicature in the land, it would not be oppres-

sive, and would be a valuable safeguard for the harmonious course of legislation throughout the entire realm.\*

14th. As to the power of regulating Customs and Excise, this should be granted in the fullest manner to the several National or Dominion Parliaments, subject only to the condition contained under this heading. The constitution of the United States prohibits the levying, without the consent of Congress, of any duties on imports by any of the State Legislatures. The right of regulating their tariffs has now been so fully conceded to the different countries throughout the British Empire that it cannot now be resumed, but the interests of the Empire demand that it should be constitutionally impossible for an arrangement to be made between any part of the Empire and any foreign country which would violate the principle that every part of the British Empire is entitled to the best terms granted to any country in all their trade dealings with one another. The circumstances of some of our outlying dependencies require, however, that a slight modification, even of this principle, should be allowed, at least temporarily. Thus, there is a small fragment of territory, belonging to the Portuguese, consisting of a district called Goa, a seaport town, Damaun, and an island, Diu, all on the west coast of India, covering an area of 1,086 square miles, about half the size of Prince Edward Island, Canada, and surrounded on all sides, except seaward, by British territory. It was evidently a matter of great inconvenience that this little wedge of land should have a separate Customs system from the extensive British dominions surrounding it. And accordingly a treaty was entered into in 1878, ratified the next year (Hertslet's Commercial Treaties, xiv., 1,119) establishing free trade between Portuguese and British India, a common tariff against the outside world, and a fund out of which the Portuguese are to be paid the proportion of duties estimated to have been collected on articles consumed or produced in Portuguese India, plus

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\* If it should appear that vesting the Judges with such power would give rise to uncertainty in the finality of legislation on the one hand, or would unduly saddle upon private individuals the expense of testing the constitutionality of unjust laws, on the other, the same object might be attained by retaining for the Imperial Parliament the right to pass remedial legislation whenever, according to certain rules laid down beforehand, an Act of the Statutory Parliaments contravened the fundamental principles of legislation, or endangered the general interests of the realm. It may be worth while, in this connexion, to examine the Act recently passed by the Legislature of Ontario, the bill having been introduced by Mr. Mowat, the Prime Minister.

three-fourths of the amount thereof to cover loss of revenue by exemption from duty of trade between the two countries, the balance to be retained by the Government of British India at Bombay. Subject to certain enumerated restrictions, the Government of British India has the right to modify the tariff as it sees fit, but if duties are repealed or abolished, the Portuguese Indian Government is to receive a certain increase of pecuniary compensation. The British Government in India is also given a monopoly in salt in Portuguese India. This treaty will expire in 1891, and if not terminated by notice twelve months before that time will be renewed for twelve years more.

A case of very much more importance is the proposal agreed to at a conference between the Cape of Good Hope, Natal, and the Orange Free State, to which, it is hoped by the members of the conference, that the Transvaal Republic and the small Portuguese settlement at Delagoa Bay may become parties later, establishing a Customs Union of the whole of South Africa. This arrangement is intended to promote and consolidate British interests in South Africa, and it is hoped by many of its promoters that it will result in all the States eventually becoming parts of a British colonial confederation or dominion; and the establishment of the zollverein is regarded favourably as a means to further such a desirable end. The Imperial authorities do not seem disposed to prevent the consummation of such a project, and it is therefore necessary for us to consider how far it need affect the principle we are now discussing. My view of the matter would be that the outlying countries, parties to such agreements with British Colonies, should be required to assume the same obligations in contributing to the defence of the British Empire as the Colonies with which they are united, and that with this restriction such arrangements should not be prohibited, but the ratification or renewal of any such arrangement should be made conditional upon the assumption of liability for such a contribution. This would make the other parties to the agreement virtually British Colonies with the obligations as well as the advantages arising out of such a relation.

#### TREATIES OF ALLIANCE.

One important point that deserves consideration is whether the subjects above mentioned would be more efficiently dealt

with in an Imperial Parliament than by means of simple treaties of alliance between the several countries in the Empire. It is very evident that several of them could not be dealt with by treaty at all, notably the first, second, third, eighth and tenth. These would, of course, be dealt with separately by independent Parliaments, if the Empire were to break up. It is admitted, however, even by advocates of separation, that the remaining subjects should be arranged in some way by joint action. I shall therefore say why I consider that these also—in short, all common and all mutually impinging interests—would be more satisfactorily dealt with by an Imperial Parliament than by mere treaty of alliance. A treaty is a very inelastic document; it binds the parties with a hard and fast fetter, which cannot without great difficulty be adjusted to the continually altering circumstances of the two countries. Some of the provisions of treaties are intended to be perpetual, such, for instance as the free admission of the people of the United States to the navigation of the St. Lawrence by the Treaty of Washington, or the agreement between the United Kingdom and the United States, that neither of them shall fortify any canal or *voie de communication* across the Isthmus of Panama, as provided in the Clayton-Bulwer treaty. No method exists by which these agreements can be modified, and they cannot be derogated from or avoided except by a breach of faith of one of the contracting parties. Of such a breach of faith there is always a danger where no healthy encounters take place in a common assembly of representative men. The recent repudiation by Russia of the provision of the Berlin Treaty regarding Batoum, and the denunciation, or threatened denunciation, by President Arthur's administration, of the Clayton Bulwer Treaty, on the part of the United States, could never have taken place had these matters come under the control of some joint representative authority.

Other provisions of treaties are temporary, like the former Reciprocity treaty between Canada and the United States, or the Fishery clauses of the Washington Treaty of 1871, and when such come to an end, however serious the inconvenience may be to the parties, there is no body whose duty it is to deal with the case and bring about a new agreement. Parties placed in such a relation are apt to feel themselves under no special obligation to consider the rights or interests of one another. It is of special importance that a common parliament should exist for countries

• that have constant relations with one another but that are situated far apart, and are not in a position otherwise to familiarize themselves with the condition of one another's affairs. In such a parliament it becomes generally recognized that each is to consider not only its own interests in particular, but also the general welfare of the whole. Another great advantage lies in constant and continuous association of the representatives. They come to understand one another; they feel themselves bound from time to time to take the steps necessary to keep their mutual concerns in harmony, and they form the habit of regarding one another's circumstances and interests. In doing this it will rarely or never happen that the true interests of any part will be sacrificed, for the wider the interests are the more imperative is it that the highest considerations of justice and of humanity should dictate the policy to be adopted; and it is in the recognition of such wide principles that the security of smaller communities chiefly lies. While, therefore, there may be great advantage in trying to draw all the nations of the earth more closely together, there is no really lasting advantage to be derived from separating the nations that are already united, and by isolating the great peoples of the civilized world. These are a few of the reasons why I think a parliamentary union better than any species of alliance by treaty.

#### DOMINION PARLIAMENTS.

We come now to consider the fundamental character of the powers of the several Parliaments or Legislatures under the British Constitution. In the Constitution of the United States the powers of Congress are only delegated powers, and these are all expressly enumerated. This is the theoretical doctrine, but, to make it work at all, the functions of the Central Government and Congress have first been extended by a doctrine of implied powers, and secondly their limits have been disregarded in an unconstitutional—though, in my opinion, justifiable—encroachment on States' rights, for the suppression of slavery and the enforced preservation of the Union, in both of which the civil war vindicated the arrogated authority of the Central power. In the case of the Imperial Parliament the powers would not be delegated. The British Parliament is the original and supreme source of all legislative authority. But it is quite competent for



it to do as was proposed by Mr. Gladstone in his Irish Future Government Bill, namely, to delegate all its powers except those expressly reserved. And the direct control of the Imperial Parliament, though not necessarily identical as regards all parts of the Empire, should, as regards the United Kingdom and the self-governing Colonies at least, be practically restricted to the classes of subjects above enumerated, or to those under some similar classification. The radical defect of Mr. Gladstone's Bill, and of all his subsequent promises of modification, seem to me to have been, first, that he failed to provide for constant and continuous representation of the Irish in the Parliament of the United Kingdom; and secondly, instead of reserving direct authority over the matters on which the Irish Parliament was prohibited from legislating, it provided a cast iron rule for the regulation of these, which was not to be deviated from for a great number of years, thus destroying all the vitality of the legislative authority of the central Parliament, even in regard to those subjects that were reserved for its sole consideration.

The express reservation of all the power of legislation on the above-mentioned Imperial subjects to the Imperial Parliament would make it necessary to create, where it has not already been done, statutory Parliaments for the several parts of the Empire, with power of legislation on all subjects not so expressly reserved. This has already been done in the case of Canada, where a tolerably judicious sub-division has been made on the subjects to be dealt with by the Dominion Parliament, and by the Provincial Legislatures, respectively. The subjects reserved for the Parliament of Canada are set forth in section 91 of the British North America Act, 1867, as follows:—

The Parliament of Canada has power—

To make laws for the peace, order and good government of Canada, in relation to all matters not coming within the classes of subjects exclusively assigned to the Provincial Legislatures; and for greater certainty, but not so as to restrict the generality of the terms above employed, it is declared that the Parliament of Canada shall have exclusive legislative authority over the following matters, namely:

1. The public debt and property.
2. The regulation of trade and commerce.
3. The raising of money by any mode or system of taxation.
4. The borrowing of money on the public credit.



5. Postal service.
6. The census and statistics.
7. Militia, military and naval service and defence.
8. The fixing of, and providing for, the salaries and allowances of civil and other officers of the Government of Canada.
9. Beacons, buoys, lighthouses, and Sable Island.
10. Navigation and shipping.
11. Quarantine and the establishment and maintenance of marine hospitals.
12. Sea coast and inland fisheries.
13. Ferries between a province and any British or foreign country, or between two provinces.
14. Currency and coinage.
15. Banking, incorporation of banks, and the issue of paper money.
16. Savings banks.
17. Weights and measures.
18. Bills of exchange and promissory notes.
19. Interest.
20. Legal tender.
21. Bankruptcy and insolvency.
22. Patents of invention and discovery.
23. Copyrights.
24. Indians, and lands reserved for the Indians.
25. Naturalization and aliens.
26. Marriage and divorce.
27. The criminal law, except the constitution of Courts of Criminal Jurisdiction, but including the procedure in criminal matters.
28. The establishment, maintenance and management of penitentiaries.
29. Such classes of subjects as are expressly excepted in the enumeration of the classes of subjects assigned exclusively to the Legislatures of the Provinces.

Any matter coming within the above classes of subjects is not deemed to come within the class of matters of a local or private nature comprised in the enumeration of the classes of subjects assigned exclusively to Provincial Legislatures.

In addition to these may be mentioned the right of disallowance of provincial legislation, which has been already referred to, the power of appointing judges and Lieutenant-Governors for the Provinces, which is vested in the Governor-General, who acts, however, by the advice of his Canadian Privy Council, and is thus responsible to the Parliament of Canada.

To carry out properly a scheme of federation such as we are now considering, and in order to make a clear line of demarcation between Imperial and merely national or State affairs, our task would be greatly facilitated by the statutory creation of a Parliament for the United Kingdom which would succeed to all the powers of the present Imperial Parliament, which are not

expressly reserved, to consist in the first instance of the members in the Imperial Parliament from the United Kingdom. In other words, the new Imperial Parliament, created by the amalgamation of the present Imperial Parliament with representatives from the Parliaments of the self-governing Colonies, would retain control in all Imperial matters expressly reserved. The members of the present Imperial Parliament would thenceforward form a statutory Parliament, the Parliament of the United Kingdom alone, but with all the powers not expressly reserved for the Imperial.

It is not essential to our present purpose to consider whether in the United Kingdom there should be, in addition, local legislatures similar to the legislatures of the provinces in Canada, or whether the Parliament of the United Kingdom should continue to exercise sole legislative control over all affairs of the three Kingdoms, relieving the pressure of public business merely by the creation of local bodies on a principle similar to that of the Local Government Act of 1888. That is a matter the people of the United Kingdom should be left to decide for themselves. For information, however, an enumeration may be given of the powers assigned to the Provincial Legislatures by the British North America Act, especially in section 92. These comprise:—

1. The amendment from time to time of the Constitution of the Province, except as regards the office of Lieutenant-Governor.
2. Direct taxation with the Province, in order to the raising of a revenue for provincial purposes.
3. The borrowing of money on the sole credit of the Province.
4. The establishment and tenure of provincial offices and the appointment and payment of provincial officers.
5. The management and sale of the public lands belonging to the Province and of the timber and wood thereon.
6. The establishment, maintenance, and management of public and reformatory prisons in and for the Province.
7. The establishment, maintenance, and management of hospitals, asylums, charities, and eleemosynary institutions in and for the Province, other than marine hospitals.
8. Municipal institutions in the Province.
9. Shop, saloon, tavern, auctioneer, and other licenses, in order to the raising of a revenue for provincial, local, or municipal purposes.
10. Local works and undertakings other than lines of steam or other ships, railways, canals, telegraphs, and other works and undertakings connecting the Province with any other Province, or extending beyond the limits of the Province, or declared by the Parliament of Canada to be for the general advantage of Canada or of two or more Provinces.
11. The incorporation of companies with provincial objects.

12. The solemnization of marriage in the Province.
13. Property and civil rights in the Province.
14. The administration of justice in the Province, including the constitution, maintenance, and organization of provincial courts, both of civil and of criminal jurisdiction, and including procedure in civil matters in those courts.
15. The imposition of punishment by fine, penalty, or imprisonment for enforcing any law of the Province made in relation to any matter coming within any of the above classes of subjects.
16. Generally all matters of a merely local or private nature in the Province.

The Provincial Legislatures may also, subject to certain rights and privileges existing at the time of the passing of the Act with respect to denominational schools, exclusively make laws in regard to education, and it is to be regretted that this subject has not been reserved to the Dominion House, so as to secure a truly national system of education throughout the land.

We have no interest in discussing whether these matters or, any of them, should be delegated to Local Legislatures or to municipal bodies in the United Kingdom. The persistent and disloyal attempts on the part of certain political agitators in the Canadian Provinces to create a feeling of antagonism between the Dominion and Provincial Governments, attempts that are made whenever the same party is not in power in the Central and Local Legislatures; the assiduous cultivation of a spirit of French nationalism in the Province of Quebec, distinct from, and largely hostile to, the allegiance due to our Sovereign and to our country as a whole; the disposition of the majority there to ignore the wishes of the commercial minority, and to force them to pay an excessive proportion of the taxes, the expenditure of which is altogether controlled by the majority\*—these and other

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\* For the last of these grievances, however, the minority have to complain, not only of the majority in the Legislature, but also of the Judicial Committee of the Privy Council, which—in declaring constitutional a provincial Act imposing taxes on a limited class for the general benefit, in opposition to the opinion of Sir Antoine A. Dorion, Chief Justice, and of Mr. Justice Rainville, two of the ablest of our French Canadian Judges, and of Mr. Justice Cross, an equally able English Canadian,—utterly ignored the settled jurisprudence of the United States in its interpretation of the meaning of direct taxation under a federal constitution, and had recourse to the vague definitions of writers on political economy who lived in countries having only one legislative authority and no written constitution, and who considered direct and indirect taxes, not from the point of view of a federal constitution, but merely in their character of factors in the national wealth. The Privy Council thus destroyed—at least till their decision becomes one of the Overruled Cases,—the chief protection of the minority from oppression inserted in the British North America Act, as explained with much clearness by Sir Alexander Galt, one of the framers of the Act, when the question was being fully discussed in the

circumstances render it somewhat doubtful whether the experiment tried in Canada can be recommended for adoption in the United Kingdom. On the other hand, the system has given pretty general satisfaction, and as time goes on, the country may become firmly welded together as a compact whole.

This problem, however, we are not required to discuss. All we are interested in is, first, that the Imperial Parliament shall not be burdened with the discharge of duties relating to the local affairs of any part of the Empire, and also, secondly, in view of the fact that we intend to propose that the membership of the National or Dominion Parliaments, and of the Imperial Parliament shall be largely identical, we have a subsidiary interest in hoping that the widest scope possible may be given to the powers of local bodies in order that the labours of the members of the Parliament of the United Kingdom may be sufficiently lightened<sup>o</sup> to enable them to attend also to the work of the Imperial.\*

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Confederation debates in the Canadian Provincial Parliament, in which debates, moreover, Sir (then Mr.) A. A. Dorion himself took a leading part. This is an illustration of the need, if the Privy Council is to remain the highest Federal Court of the Empire, of the infusion into its composition of an element drawn from the federal colonies.

\* A friendly critic of this essay in the MS. has raised the objection that the new policy of the League, in seeking to bring about a series of periodical conferences, seems to contemplate a solution of the ultimate problem of our movement on different lines from those suggested in these pages; it being supposed that such conferences, though exercising at first only consultative or advisory functions, may develop into a central body with exclusive control of imperial affairs. My answer is that, while conferences may prove of great value in preparing the way for the organic changes that will be necessary before the relations of the several countries of the Empire can be considered as on a permanently satisfactory basis, I have no faith that they themselves will ever be entrusted with legislative, fiscal, or executive powers. Without these powers every recommendation will have to run the gauntlet of a number of independent parliaments to make them effective, and such a system can never be permanently satisfactory. These conferences can be of the highest usefulness in suggesting the lines upon which a redistribution of the powers enjoyed by the several existing parliamentary bodies may advantageously take place, and the manner in which colonial representatives may be admitted into the Supreme Parliament. Indeed, it is only through their instrumentality that the initiative in such matters can be well taken. But it may be assumed as a postulate that Parliament will never part with any of its highest functions, and indeed that public opinion would not sustain it in doing so. Even in the Colonies, however much the Colonial Office, or "Downing Street," may be discredited, there could never be created a body that could rival in public esteem the British Parliament. The permanent constitution must therefore be a development and modification of existing parliamentary bodies, and not the raising up of a new and independent authority. It is the conviction that Parliament will never forego its imperial functions that forms the only justification for introducing into this sketch a discussion of the means by which it may be relieved of its local business, by the establishment of subordinate representative bodies with legislative powers.

## IMPERIAL TAXATION.

In order to give the Supreme Parliament its thoroughly imperial character, as above contemplated, the first step, I imagine, would be for a conference to be held, to be attended by representatives from the Mother Country and from all the self-governing and perhaps the other Colonies, to determine the basis for representation and the subjects that should be treated as of a purely imperial character. The present Imperial Parliament should then pass an Act reserving to itself the exclusive right of legislating upon these, and authorizing the admission of representatives from the self-governing Colonies upon the basis agreed upon, for the consideration of such subjects; declaring further that the right to legislate upon all other subjects whatsoever (except where provincial or local legislatures had been created) should remain vested in the Parliament of the United Kingdom, as a statutory Parliament, and in the statutory Parliaments already existing for Canada and the other self-governing Colonies. The Houses of Commons in the latter should be authorized to elect from among their own members the proper number of representatives for each country. The chief reason for having the Imperial members elected from among the members of the national or Dominion Houses, is to guard against the choice of men residing in the mother country and thus somewhat out of touch and sympathy with the Colonies they are to represent.

I think such representation should precede taxation for Imperial purposes, or at least should not be long preceded by it. The House of Commons is the body that now determines the amount and controls the direction of Imperial expenditure. Before being called upon to pay their share of expenditure, the Colonies should have a direct voice in deciding what is required for the proper administration of purely Imperial affairs. Members should also be added to the Imperial Cabinet from each of the Colonies that exercises the right of sending representatives.

Upon the colonial members being admitted, the House should resolve itself into an Imperial Chamber, giving priority to purely Imperial matters, and should at once proceed to determine the amount of Imperial revenue required, and its equitable apportionment among the several countries. The guiding principle should be, that to all expenses for diplomatic and consular services, and for the equipment and maintenance of the Imperial



Civil Service, and of the army and navy upon a peace footing, each country should be bound to contribute upon some equitable and as nearly as possible uniform basis. Particular wars affecting only portions of the Empire, or expenses of maintaining war establishments, might be paid for by special assessment, from which the parts not affected should be exempt. A Government bill could be introduced, subject to be modified in committee of the whole, apportioning this expenditure, the endeavour being to make each part pay according to its wealth, realized resources and the risk to which in general it exposes the Empire. The proportion of contribution thus fixed would form the basis on which representation should take place in the Upper House, the Colonial members for which could thereupon be elected from the Senates, or in some other way, by the several Colonies.

The Imperial Parliament would then resolve upon the mode in which the taxation should be levied to meet these expenses, not necessarily restricting itself to one mode for all parts of the Empire, but after adopting, if possible, a uniform system for the collection of a part of the revenue required, applying, for the collection of any remainder due by any country, the system recommended by the representatives from that country.

One of the powers that we have reserved to the Imperial Parliament is that of raising money by any system or mode of taxation. The question would arise whether requisitions should be made upon the governments of the various Colonies for the amount of their assessment, or whether the Imperial Parliament should tax directly.

Before deciding this point an attentive study should be made of the early history of the constitution of the United States. It will there be found that the system of requisitions upon the governments was found most unsatisfactory; it was indeed an absolute and disastrous failure.

The following is an extract from a speech of Alexander Hamilton, "On the Revenue System," delivered in the Legislature of New York in 1787, where he is discussing the working of the system first tried by the seceded colonies, of carrying on the national government by means of requisitions on the separate States:

"The universal delinquency of the States during the war shall be passed over with a bare mention of it. The public embarrassments were a plausible apology for that delinquency,



and it was hoped the peace would have produced greater punctuality. The experiment has disappointed that hope to a degree which confounds the least sanguine. A comparative view of the compliances of the several States for the last five years will furnish a striking result. During that period, as appears by a statement on our files, New Hampshire, North Carolina, South Carolina and Georgia have paid nothing. I say nothing, because the only actual payment is the trifling sum of \$7,000 by New Hampshire. . . . Connecticut and Delaware have paid about one-third of their requisitions; Massachusetts, Rhode Island and Maryland about one-half; Virginia about three-fifths, Pennsylvania nearly the whole, and New York more than her quota."

There is no higher authority than that of Alexander Hamilton. It was he who put the national existence of the United States upon an enduring basis. His practical experience and profound statesmanship led him to devote himself with untiring energy to impressing upon the people of the different Colonies of the Confederation, that it was absolutely necessary for the successful administration of their national government, that it should have, and should exercise directly upon the people, of its own motion, and independently of the State governments, the right of taxation for Imperial purposes. And I think the same will hold true for our own Empire. I quite recognize that the Empire, to be strong and durable, must be "broad based upon the people's will," its foundation must be in the hearts of the people; but the power should not be given to the Legislature in any single part of the Empire to block the wheels of Imperial machinery. Suppose, for example, that the Canadian Parliament or the United States Congress depended upon the local legislatures for their national revenues: Parliament or Congress could then be hampered in the most unwarrantable manner by any single State or Province that temporarily disapproved of its policy.

This is a contingency that must be carefully guarded against. It is questionable whether the authority of the Imperial Parliament could or should be permanently exercised over any of our great self-governing dependencies if it were the settled desire of the people to withdraw: but it is clear, on the other hand, that it should not be in the power of any local Parliament or Government, even if incidentally in accord with the popular will in a

single country in the Empire, to withhold the supplies for carrying on the Imperial Government. This is what was done in the second instance cited by Mr. Gladstone of the action of the Irish Parliament in 1795, when, instead of paying the amount asked for to carry on the existing war, they passed a resolution advising the Parliament of Great Britain to make peace. A similar interference with Imperial prerogatives almost invariably took place or was attempted by the seceded American Colonies under their original Articles of Confederation, before the Constitution of 1787 was passed giving Congress full authority to levy its own taxes. Precisely the same argument that is now suggested to the existing Parliaments of the United Kingdom, of Canada, etc., that they never would or should consent to any other authority exercising control over any of their important national concerns, was strenuously insisted upon in the Legislature of the State of New York, in opposition to the ratification of the Constitution of the United States, which proposed to transfer these matters to Congress. But fortunately for the American nation, the patriotism of Hamilton and his associates overcame this narrow-minded objection. The Imperial policy must be decided upon by the Imperial Parliament alone, and it must have the means of carrying it out. Therefore the power of taxation should be exercised independently. At the same time it should be exercised with intelligence and discretion, and in a manner that would be least open to objection on the part of the people.

Let us consider, then, what expenses would probably have to be provided for at the outset, and what system of taxation Parliament would be likely to adopt for raising them. For we do not think people should go into the matter blindfold: they should have some idea of what they will have to expect.

With regard to the amount of Imperial expenses, Mr. Gladstone, in introducing his Irish Government Bill, stated the Imperial expenses, to which the Irish would be expected to contribute, as follows:—

National debt.....	£1,466,000	being 1-15th of	£22,000,000
Army and Navy, exclusive of war votes.....	1,666,000	" "	25,000,000
Civil charges.....	110,000	" "	1,650,000
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Total.....	£3,242,000	" "	£48,650,000
Besides Irish Constabulary.....	£1,000,000		

As to the item of national debt, the Colonies should not (unless in the event of the Imperial Parliament assuming the debts of all the Colonies) contribute to that; first, because they were not represented in Parliament when it was incurred, and secondly, because they have themselves incurred national debts, partly for Imperial purposes, which the Imperial Parliament will not be asked to assume. The item of Irish Constabulary will also, of course, be excluded; it corresponds to the item of Mounted Police in Canadian accounts, which will remain a charge on the Canadian Government. The amount, on Mr. Gladstone's basis, will therefore be:—

Army and Navy.....	£25,000,000
Civil charges.....	1,650,000
Total.....	<u>£26,650,000</u>

Now, the raising of such an enormous sum of money is undoubtedly one of the great stumbling blocks in the way of inducing the Colonies to consider Imperial Federation favourably. It is therefore an encouraging sign of the times to observe that some of the most practical and energetic public men in England have begun a vigorous attack upon extravagant expenditure in these services. They say, and with great appearance of reason, that if the German army, which on a peace footing consists of over 400,000 men, costs only £17,400,000 stg., while the British Army consists of only 177,000 men, and costs, including appropriations in aid, £20,485,000; there must be an abundant margin for retrenchment in the latter service. These reforms will have to be vigorously insisted upon, and the cost of the army and navy cut down enormously. And if the subject were brought before the Imperial Parliament after the Colonial representatives were admitted, the latter would no doubt eagerly co-operate in effecting the economy desired.

It is no doubt true that there is also a tendency in the opposite direction, prompted by the national determination to have the forces in an efficient condition. But is it certain that efficiency cannot be attained without increase of expenditure? Why should the officers of the British army be allowed, and even encouraged in, the extravagant habits that were introduced at a time when the force existed almost independently of the common people, and when every officer was expected to have independent means? Why should they not

be obliged to adopt a simple and inexpensive style of living such as has proved adequate in the German army? Why should the officers' mess, with its expensive *cuisine* and its ruinous wine bill, not be discountenanced, and the rate of living of officers be brought within the reach of a moderate purse? Could not the number of the officers be largely reduced? By doing away with half of them a vast amount of money would be saved, not only without loss to, but probably with great increase in, the efficiency of the troops for active service.

But again, why should the national energies be chiefly devoted to maintaining a large naval and military establishment? Why not utilize the public revenues to turn the national energies in the direction of peaceful pursuits, stimulating the development of the resources of the country, increasing the wealth of the people; confident that if occasion should arise for it, the money in the treasury or at the command of the Government would enable them, in a sudden emergency, to procure defensive appliances of the very latest and best description, at the current market price; instead of, as under our system, spending millions of money upon experiments in the construction of vast engines of destruction which are likely, in a few years, to be out of date, and which cannot be operated except at ruinous cost? If the British Government will continue to pursue its present wise and friendly policy towards all foreign nations, and especially if a consolidation of the Empire takes place, and foreign powers are convinced that they will have to confront the united force and inexhaustible resources of the whole, the Empire will then soon be able to greatly reduce its military and naval expenditure. If this were done the country would save more than enough, in capital and interest, in a single decade, to compensate for any possible loss resulting from a fair trade tariff; at the same time increasing manifold the wealth of the undeveloped parts of the Empire, which could thus be drawn upon to join in its defence.

It thus seems reasonable to believe that the above estimate of Mr. Gladstone's, so far from being too low, could be materially reduced. If, however, the militia departments of the several countries are to be brought under general administration, as when the Empire is thoroughly re-organized they, no doubt, will, a great saving might be effected there also. This would relieve Canada (independently of such expenses as those connected with the North-west Rebellion, of the Mounted Police, and of the naval

expenses connected with the defence of the fisheries) of an amount of annual expenditure of about \$1,000,000 or £200,000. If we add this to Imperial expenditure, and similar amounts for the other self-governing Colonies, and make an allowance for the indemnification of members and for transport and telegraph facilities; and also for India and the Crown Colonies which will have to share more directly in the expenditure, the amount required to be raised is not likely to be short of Mr. Gladstone's figures. Assuming this sum, say £27,000,000, let us examine the question of providing such a revenue for Imperial expenses.

On what basis should the Colonies contribute to the payment of these? The interests they have at stake are probably accurately enough represented by the amount of their trade.

The following table is a resume of an analysis (1) of the British or intra-Imperial, (2) of the Foreign, and (3) of the Aggregate External, trade of the principal countries of the Empire in 1883. (In the case of Australasia, the trade between the several Australasian Colonies has been deducted):—

TABLE I.

## TRADE OF THE BRITISH EMPIRE, 1883.

(In £ stg., last three figures omitted.)

	IMPORTS.			EXPORTS.			TRADE.		
	British.	Foreign.	Total.	British.	Foreign.	Total.	British.	Foreign.	Total.
United Kingdom .....	98681	328210	426891	90401	215036	305437	189082	543246	732328
East Indies .....	71859	16728	88587	63499	41621	105120	135358	58349	193707
Australasia.....	34989	6597	41586	28348	3802	32240	63337	10489	73826
British North America.....	12790	14765	27555	11236	10668	21904	24026	25433	40159
British West Indies.....	4550	3084	7634	4497	4001	8498	9017	7085	1102
British South Africa.....	7495	936	8431	5315	350	5665	12810	1286	14096
Mauritius .....	1615	1151	2766	3327	502	3829	4942	1653	6595
British West Africa .....	912	377	1289	680	719	1399	1592	1099	2688
	232891	371848	604739	207273	276789	484062	440164	648637	1088801

On the basis of trade with foreign countries, the contributions, and consequently the representation in the House of Contributories, would be as follows. For the latter I give two estimates, one based on a maximum membership of 500, and

the other by making additions to the present membership of the House of Lords :—

TABLE II.

(£ stg., 000's omitted.)

	Foreign trade.	Contributions.	Members in House of Contributories.	
United Kingdom.....	543,246	22,614	418	or 513
East Indies.....	58,349	2,428	44	" 55
Australasia.....	10,489	437	8	" 10
British North America.....	25,433	1,060	19	" 23
British West Indies.....	7,085	294	6	" 8
British South Africa.....	1,286	54	2	" 2
Mauritius.....	1,653	68	2	" 2
British West Africa.....	1,096	45	1	" 1
	648,637	27,000	500	614

I take the above as a convenient way of making an estimate of the relative contributory power of the different countries, and as one that commends itself for the apportionment of expenses for foreign policy. But the intention is not necessarily to base the apportionment on the foreign trade, but on the wealth, accumulated resources and ability to pay of the several countries, and also in some measure, on the risk to which the several countries expose the Empire.

Since writing the above, I have been enabled to prepare for 1885, from Sir Rawson W. Rawson's "Synopsis of Tariffs and Trade of the British Empire," just published, a table largely corresponding to the above (which is for 1883), and this I give in the appendix, Table III., as substantially corroborating the foregoing.

We have now to take up the question, how these amounts could be raised throughout the Empire. It has been urged above that the Imperial Parliament should possess the right of taxation by any system or mode for Imperial purposes; but while strenuously contending for this, it should be well understood that the mode of taxation first resorted to should be one that would not be objectionable to the Colonies. The Imperial Parliament should not introduce a mode of taxation to which the people have not been accustomed; a way should be sought



that will make the burdens fall lightly upon the countries which for the first time are to contribute towards Imperial revenues. There should, therefore, before federation is entered into, be a common understanding as to how the Imperial revenue is to be raised.

I intend to advocate that the whole, or the major part, of these revenues should be raised by a system of taxation that would develop an interchange of products between the different countries of the Empire, and thus raise up a feeling of interest as well as of sentiment to support the carrying out of our policy. The Colonies should be made to feel that, upon assuming liability for Imperial expenses, they are going to derive some direct advantage from being members of the British Empire. Now, a system may be adopted for the raising of Imperial revenue which will have this effect, and which will, moreover, enable the Mother Country either to reduce or repeal some of her other taxes, or to pay off a considerable portion of the national debt, as the United States—her most serious competitor in the future—is now doing.

Such a policy may be based upon such principles, moreover, as to be perfectly fair and just to foreign countries. The chief if not the only expenses the different countries of the Empire are to be asked to contribute to in common, are those arising out of relations with foreign countries. While, therefore, for the ordinary expenses of government, that is, internal government, there might not be any good reason for trying to derive revenue from relations with foreign countries, it seems perfectly intelligible that for expenses necessitated by the existence or attitude of foreign powers, for protection against foreign attack, taxation should be levied, if possible, upon foreign relations. To this extent the usage of the "Kings of the earth" is certainly defensible :

"What thinkest thou, Simon—of whom do the Kings of the earth take custom or tribute : of their own children or of strangers?" Peter saith unto him, "Of strangers." Jesus saith unto him, "Then are the children free."

I am willing to admit that taxes on foreign trade should be strictly limited to the amount of revenue required for the purposes of defence against foreign nations. I even propose, as will be explained later, to hold out the olive branch to every

foreign nation in the world for the removal of the obstructions that exist upon mutual trade by offering greater inducements to countries that will adopt reciprocal trade with the whole Empire than to countries that will not.

My proposal would be to impose, independently of existing tariffs, upon imports from foreign countries into every part of the Empire, a uniform tax, specific or ad valorem, as the particular articles taxed may require, payable upon all manufactured goods and all articles of food, including breadstuffs, and upon such raw materials as can easily be produced within the Empire in sufficient quantities to carry on all existing manufactures; the revenues to be devoted to strictly Imperial purposes, each country to be allowed to impose other duties over and above these, as they see fit, and to increase, reduce or repeal duties now existing, and finally to reciprocally discriminate distinctly in favour of any or all other parts of the Empire, but in no case to impose higher duties on imports from or exports to any part of the British Empire than those levied on trade with the most favoured of foreign nations, with the possible exception of such as, having formed a zollverein with British Colonies, themselves contribute to the British Imperial exchequer. The problem of Free Trade or Protection could be worked out underneath this tax, which would be imposed for Imperial defence alone.

As embodying the principle underlying this, I refer to the resolution introduced at the Imperial Conference by Mr. Hoffmeyr, of Cape Town (Proceedings of the Colonial Conference, 1887, p. 463, and Appendix, p. 5) and the discussion that took place thereon. The same suggestion came before the Montreal branch of the Imperial Federation League in 1885, in a paper by Mr. Thomas Macfarlane.

The difference between the present proposal and Mr. Hoffmeyr's is that the latter proposed to tax all foreign imports indiscriminately, but only at the rate of two per cent. It is manifest that this would not produce a very considerable revenue, but it has the advantage of simplicity, and also of interfering to a less degree, if at all, with trade. Mr. Macfarlane's proposal was also that the tax should be levied on all foreign imports, and the rate he suggested was five per cent. This would have been more satisfactory as a means of raising revenue. But it is tolerably certain that with a rate even that high it would become necessary to make the exception of raw materials; and that excep-

tion being made, it seems to me advisable that a sufficient rate should be levied to raise a substantial revenue.

The concession it is proposed to make in favour of foreign nations willing to adopt reciprocal trade relations with the proposed federation is this : any country that is willing to grant free trade to the entire British Empire, or to subject British merchants and producers to duties not in excess of those collected from their own subjects or citizens, and to adopt a tariff similar to that of the Empire against the other countries of the world, might be exempt from the operation of the discriminating duty ; that is, if the United Kingdom imposed no other duties, might be admitted free to the markets of the United Kingdom, in the same way as the Colonies ; and if the Colonies have not yet abolished their duties as against the Mother Country, should be admitted to the Colonies on the same terms as the Mother Country.

It may be objected to this that it would be ridiculous to expect that any country will consent to free trade with the Colonies unless the Colonies will also admit their produce free. Well, I do not think it would be ridiculous, except, perhaps, in the case of the United States, and of the colonies of other European states, or other newly settled countries.

So far as the European nations themselves are concerned, they will be ready enough, I fancy, to gain admission to the British Colonies on the same terms as the United Kingdom, and arrangements could be made with regard to French, Spanish, and other colonies, allowing them similar rights with regard to revenue duties as those reserved to British Colonies. It is true enough, however, that the United States would not contemplate anything of the kind ; they would not give free trade to Canada unless Canada gave free trade to them. My answer to this is, that the moment the United States intimate their willingness to arrange for free trade with the whole British Empire, they will themselves have to adopt for the raising of their national revenues some other system than that of customs duties. Should they do so, there will be much less difficulty in Canada and the other protective Colonies adopting a fiscal system similar to that about to be adopted in the United States ; Canada's most serious difficulty in adopting any other system now being the fact that customs duties is the system followed in the United States, and she cannot place her people at even a seeming disadvantage as compared with them, which would be the case were she to adopt

direct taxation. Therefore, if the United States were ready to declare for free trade with the whole British Empire, the Colonies might be ready simultaneously with the United States to repeal all their customs duties and to raise their revenue in the same way as the United States, or in any other way they might choose.

Of course, by this policy, the Empire would be precluded from treating with any other nation for commercial advantages except on the basis of entire free trade, or for customs and excise duties, uniform as against its own and British subjects in those articles that are exported from the Empire; but I venture to say, as Mr. Stephen Bourne has proved,\* that the British Empire is, in trade matters, more nearly independent of all the other nations in the world than any other nation is of the British Empire.

The chief objections to this policy, from the English point of view, are that it would involve a tax on the food of the people, and would injuriously affect their carrying trade with and between foreign nations. The first of these objections will certainly be made to do duty to the utmost by those who regard free trade as something sacred—who will not admit that economic policy should be made subordinate to the general policy of the realm; by those who will not hesitate, even in the consideration of a great Imperial question, to set class against class, and endeavour to raise prejudices against a system on the ground that it may incidentally benefit some of their fellow subjects in a greater degree than others. I sincerely trust that this may not be the spirit that it will be regarded in by the people at large. I hope that the British nation will rise to the higher view of the Imperial advantage of producing a feeling of common interest throughout the length and breadth of the realm, and of getting the Colonies to share the expenses as well as the responsibilities of Imperial relations. And if we do not shut the door to the ultimate adoption by this Empire and by all other nations of true and universal free trade, if we even point out the means by which this can be secured, we really pursue a policy that even Free Traders should heartily accept.

I will, however, endeavour to meet the honest and consistent

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\* In a paper read before the British Association at its meeting in Montreal in 1885, entitled "The Interdependence of the Countries of the British Empire"

free traders in the fairest spirit. I am myself a believer in free trade, though the question of the integrity of the Empire, and the shaping of our policy so as to render it perpetual, seems to me so much greater and wider that I think concessions should be made in this matter, if it can be shown that it will be likely to lead to the realization of the great Imperial object we have in view. I am not going to contend that it will cost the people nothing; but I will try to estimate, first, how much it will cost, and then, secondly, whether the loss will not be more than compensated for by both commercial and national advantages that will accompany it, and whether it will not be a small price to pay for the object of consolidating our world-wide Empire.

As, however, I do not propose to tax raw materials produced chiefly in foreign countries, and as I do not believe that people will seriously object to a slight increase in the price of high-class foreign manufactured goods or luxuries, I shall consider, first, the question of the effect on the price of food; and, secondly, the effect on re-export or transient trade.

#### TAXES UPON FOOD.

Respecting the price of food, we find that the average prices of wheat, since 1869, have been as follows (Whitaker's Almanac, 1887, p. 546.) :—

1869-73.....	53s. 6d.
1874-78.....	50s. 1d.
1879-83 .....	44s. od.
1884.....	35s. 9d.
1885.....	33s. 8d.

It must first be borne in mind that any advance in price would really be temporary, until such time, namely, as it took for the Colonies to produce a sufficient quantity for the deficiency in the supply of the Mother Country. I will show, further on, that the Colonies have facilities for doing this. It may take some little time to work up to it, though by means of the policy now advocated this time might be very much shortened. Looking at it, however, from the present point of view: If we were to add a duty equivalent to ten per cent., say 3s. 4d. a quarter, to the last price given above, it would make the price during the last year 37s, which is still very much below the average price since 1869. It is not at all certain that there would be even this increase in price, or decrease in size of loaf, to the con-



sumer. For the difference might be largely paid by the middle man, the importer or the provision merchant; and the latter might bear his proportion without complaint, if the imposition of a duty on wheat were accompanied by a repeal or reduction of the duties on tea, coffee and fruits, so as to readjust his profits. But without discussing further on whom in particular the loss would fall, let us try to arrive at some idea of what the difference would be to the English people as a whole. If duties were levied on all food products generally, there are two classes into which, in order to arrive at an estimate of the proportion of the advance of duty that would be paid by the English people, we should have to divide them; namely, those articles which are largely produced at home, as well as imported from the Colonies and from foreign countries, and those in which the competition would be between the Colonies and foreign countries alone. I shall also separate spirits, wines and tobacco, as commodities that are fit subjects for taxation on other grounds, and will divide the remaining food products into two classes. First, the produce of the temperate zone, in which, therefore, the home producer is a competitor; and, second, tropical produce, including rice, tea, coffee, sugar, spice, raisins and currants.

#### I. Produce of temperate zone.

In the Appendix, Tables VI. to X. inclusive, are given detailed statistics showing how the following conclusions are reached.

The following is a resumé of the products of the temperate zone, grown and imported in 1885:—

TABLE XI.  
(In £ stg. 000's omitted).

ARTICLES.	Home grown.	Colonial.	United British	
Wheat and flour .....	19,318	7,684	27,002	50.90
Other grains, etc. ....	27,516	778	28,294	73.80
Potatoes.....	40,309	445	40,754	99.32
Animals and meat.....	70,377	3,529	73,906	78.29
Butter and cheese .....	13,500	1,400	14,900	51.15
	171,020	13,836	184,856	72.23
Maize, etc. ....		254	254	2.90
Total.....	171,020	14,090	185,110	70%



Continued.

ARTICLES.	Foreign.	%	Total Consumption.	Of which Import.
Wheat and flour .....	26,051	49.10	53,053	33,735
Other grains, etc. ....	10,033	26.20	38,330	10,814
Potatoes. . . . .	281	0.68	41,035	727
Animals and meat. ....	20,484	21.71	94,390	23,990
Butter and cheese .....	14,231	48.85	29,131	15,632
	71,080	27.77	255,939	84,898
Maize, etc. ....	8,454	97.10	8,710	8,710
Totals. ....	79,534	30%	264,649	93,608

Rice and sago have been included among the articles of tropical produce (Table XIII. *post*), but I subjoin their amounts, in case it should be desired to consider all the cereals together.

Rice and Sago.		Per cent.
From British Countries .....	£1,985,000	83.86
From Foreign Countries.....	382,000	16.14
	£2,367,000	100%

Adding these to the above figures makes the total of—

British produce.....	£187,095,000
Foreign produce .....	79,916,000
	£267,016,000

The percentage is hardly altered.

It appears by the above figures that the articles in which there is the greatest deficiency in the home production are wheat and butter and cheese. Now it is precisely these that some of the Colonies are in the very best position to produce.

The agricultural districts of the eastern provinces of Canada, from Prince Edward Island to Ontario, are one gigantic dairy farm, capable of producing an unlimited quantity of all sorts of dairy produce.

As for wheat, according to Major Craigie's paper on the Statistics of Agricultural Production, published in the Statistical Society's Journal, 1883, p. 17, it appears that during the ten years, from 1872 to 1881, the cultivated area of the United Kingdom was 47,291,000 acres, of which twenty-four per cent. was devoted to the growth of corn.

Thus, of the cultivated area there were, in—

Wheat .....	3,164,000 acres or 7.1 per cent.
Barley .....	2,452,000 " " 5.7 "
Oats .....	4,245,000 " " 8.8 "

The yield in 1882 was:—

TABLE XII.  
(\*000's omitted.)

	Acres.*	Bushels per acre.	Bushels.*	Quarters*	Lbs. to qr.	Cwt.*
Wheat .....	3,164	26.5	83,920	10,490	480	44,960
Barley .....	2,452	33.2	81,272	10,159	400	36,277
Oats .....	4,245	41.5	176,240	22,030	320	62,939

The grain areas of Manitoba and the Western Territories of Canada are estimated by the department of Agriculture at over 200,000,000 acres, being fully four times the total cultivated area of the United Kingdom. But for lack of people there is but a small fraction of this cultivated. According to the census of 1885-86 the acreage under cultivation was, in Manitoba, Assiniboia, Saskatchewan and Alberta:—

Wheat .....	430,990 acres.
Barley .....	58,381 "
Oats .....	181,621 "
Potatoes .....	12,241 "
Cultivated Hay .....	8,910 "

or less than 700,000 acres in all.

There was also a considerable quantity of rye, peas, beans, flax seed, turnips and other roots, and prairie hay, produced.

The gross surplus of wheat at present available for export is somewhat difficult to estimate, but already consists of millions of bushels, while none at all was exported up to 1885 from that part of the country, and less than 2,000,000 bushels from all Canada.

That country, though pretty far to the north, is the best wheat district in North America. Just as in Scotland the average of bushels to the acre is larger than in any other part of the United Kingdom, being, according to Major Craigie, 31.6, while the average in England is 24.9; so, and even in a

greater degree, is the superiority of the western territories of Canada over the western states of the United States, very marked. This is due partly to the fact that although farther north the land is not so elevated or so exposed, and partly to the circumstance that being nearer the north there are in summer several hours a day more sunlight than in more southerly districts. The quality of Manitoba wheat is also higher than that of any other country.

The adaptability of that country for the growth of cereals can be abundantly demonstrated, but I shall content myself with making a short extract from an official report relating to the district around Brandon, Manitoba, for 1887:—

“The crops of Manitoba the past season eclipsed those of every other province in the Dominion. The yield exceeded all former years, and I believe has never been equalled on this continent. Farmers themselves are surprised at the excess of yield over their estimate.

“A few of the threshing returns may be of interest:—

	Wheat acres.	Yield bushels.	Bushels per acre.
Mr. Richard Tapp, near Virden.....	15	900	51
“ Youngsouth of Oat River.....	56	3,075	55
“ Isaac Edwards, Birtle.....	2	114	57
“ Seinkbiel, Kenmay.....	45	2,610	58
“ Samuel Hana, Griswold.....	225	10,360	46
“ T. Wood, north of Virden.....	5	315	63
“ E. Graham, eight miles west of Rapid City.....	2½	165	66

“These are a few of the heaviest yields, but it is rare to find a farmer having less than 25 bushels per acre, while a large majority run from 30 to 40 bushels per acre, making an average of not less than 35 bushels per acre. while oats averaged 45 bushels and barley 35 bushels per acre.

“The root crops, too, were magnificent, with ordinary field culture. For instance, A. Marion, a half-breed of Oak Lake, had cabbages 27 inches in diameter which weighed 37 lbs., and Mr. Lang, of the same place, had potatoes 3 lbs., beets 18 lbs., and turnips 20 lbs., each.”

These lands are offered free to *bona fide* settlers in farms of 160 and 320 acres, and the people of Canada have, at enormous

expense, provided them with railway facilities and water transport unequalled in the world, so that the produce can be easily transported to the sea-board at reasonable rates of freight.

Up to the present, however, this country has not received its due proportion of immigrants, owing undoubtedly to the general impression that a northerly must be a cold climate, and that there were no exceptionally favourable circumstances generally known to intending emigrants. But if it should be known that farmers north of the boundary line, in the British Empire, were to receive a preference for their produce over those in the foreign country to the south, this would itself contribute largely towards turning the tide of emigration into that country. If a policy could be adopted by the Mother Country, which would induce her surplus population to prefer the Canadian Provinces and Territories, by giving a preference to their wheat in the English market, the production of wheat in that country could easily be made to amount to double the present production of the United Kingdom. Canada alone, therefore, has territory enough, and transporting facilities enough, to supply the greater part, if not the whole of the deficiency that would exist in the markets of the Mother Country, if the whole of the foreign supply were cut off. Many parts of Australia and New Zealand have immense tracts of land suitable for production of wheat and other grains, which countries like Canada need only people to make them productive, not to speak of the immense supply that can be obtained from India and Ceylon.

All of these countries will certainly be opened up: it may be slowly, or it may be rapidly; but if the people can be made to see that their development is promoted directly by the Mother Country, they will gladly remain in a partnership for foreign affairs, and will pay their share of maintaining Imperial defence and power—a share that will necessarily increase with their growth as nations. And the fact that there are so many British competitors will afford a guarantee that the price shall not be kept up to an unreasonable figure.

But if the Mother Country callously leaves them to develop themselves, while she continues to buy her supply from foreign countries—countries that retain hostile tariffs against her—the people of those Colonies will be very apt to fail to see any particular advantage in their remaining within the British Empire. To such people it is no matter to evoke a warm attachment,

that England is supposed to be expending money for their defence. They do not feel that they need any particular defence, and would rather be inclined to consider such money thrown away; but if you can improve their trade or agriculture, if you can increase their facilities for communication, commercial, postal and telegraphic, with the rest of the world, you will gain a warm feeling of attachment on the part of their people, which will be invaluable in reorganizing the Empire upon a solid basis, and in inducing every part to contribute proportionately for the maintenance of its defensive forces.

Of course, when a suggestion is made that England should pursue a policy that would tend to be beneficial, say, to Canada, it is made a matter of reproach to the latter country that she has adopted a protective policy against the Mother Country. But this is an unfair criticism. Canada, among protectionist Colonies, is perhaps the greatest sinner, but she has certainly never discriminated against the Mother Country; and so long as England treats her exactly as foreign nations, she cannot be surprised at Canada consulting her own interest alone, and levying duties on English as well as on foreign produce: more particularly, as England expressly prohibits discrimination in favour of English and other British produce, and even embodies the prohibition in treaties with foreign nations. There might be cause of complaint if Canada treated any other country better than the Mother Country, but she does not. It is not true, therefore, that Canada has treated England unfairly; the only fair way to regard her position is to compare it with that of the United States. I have never thought a protective policy beneficial to Canada, but I cannot be surprised at its being popular in a country contiguous for its whole length to the United States, which has adopted and preserved and prospered under the highest tariff known among the nations. But I call attention to the difference in the tariffs of the two countries given in a latter part of this paper. Moreover, Canada is, and always has been perfectly willing to lower her tariff in favour of England as compared with foreign countries, provided England will give her correspondingly better terms in her markets than she gives to foreign nations. Indeed, I go further, and say I believe that in such a case Canada could easily be induced, in addition, to assume her share of Imperial expenses, if that were part of the scheme.



The tables above given cover pretty nearly all the ordinary articles of imported food grown in the temperate zones; they cover the principal articles in which the home production is a very important element. If seventy per cent. of the breadstuffs, meat, and other farm produce is now actually supplied from within the Empire, and thirty per cent. from foreign countries, what would be the effect of an imposition of a duty on foreign food? The foreigners are as directly interested in selling the quantity they supply, as the people of the United Kingdom are in buying it. In order to keep a share of the trade, the foreigner must pay part of the duty. It is impossible to fix what proportion would be paid by each, but it is fair to assume that it would be in inverse ratio to the quantity they now supply. Therefore I believe that if a small revenue duty were imposed, the foreigner would pay on the above articles, on an average, seventy per cent. of the duty, and the English middleman and consumer, between them, thirty per cent. It is true that this thirty per cent. would probably be paid on the home and colonial produce, as well as on the foreign, so that an advance all round would take place to the extent of three-tenths of the amount of the duty; if the duty were ten per cent., an advance in price would take place to the extent of three per cent. This would be equivalent to the whole of the duty being paid by the people of the Mother Country, but on the imported alone, and not on the home grown article. The offset in this case would be the amount that would be assumed by the Colonies of the expense of Imperial defence, which is now entirely borne by the Mother Country.

With regard to articles which are not produced by the Mother Country, the amount paid by the consumer would be less than the rate imposed, because competition between the Colonies and foreign countries would force the foreigners to pay a portion of the duty, and therefore the advance would be less than its full amount.

Table XIII. in the Appendix, entitled "Tropical Produce," is a statement for 1885 of the imports of articles of food in which the Mother Country is not to any considerable extent a producer

The amount of these, which consist principally of rice, fruits and sugars among articles free of duty, and of tea, coffee, cocoa and other fruits subject to duty, is:—

## Articles free of duty :

From British countries .....	£6,565,000
From foreign countries .....	20,422,000
	<hr/>
Together .....	£26,993,000

## Articles subject to duty :

From British countries .....	£6,664,000
From foreign countries.....	10,992,000
	<hr/>
Together .....	£17,658,000

## Totals of tropical produce, articles enumerated :

From British countries .....	£13,229,000
From foreign countries.....	31,414,000
	<hr/>
Grand total.....	£44,651,000

Maize and certain other cereals were entered in the first list, Table VII., although they are not produced in the Mother Country, the reason being that they are used for the same purposes as other cereals that are, and therefore go directly into competition with them. With regard to tropical produce generally, competition between foreigners and the Colonies will force the former to pay a portion of the duty in order to retain trade which would otherwise be very largely transferred to the Colonies, to their detriment. I will again assume that the portion paid by the foreigner would be in inverse proportion to the amount of the goods he now supplies, say twenty per cent. If a duty of ten per cent. were imposed, two per cent. would be paid by the foreigner, the remaining eight per cent. would stimulate production among the Colonies, and the Imperial treasury would have the benefit of the whole ten per cent. in addition to the contributions made to the Imperial expenses by the Colonies, and the advance in price to the consumer would only be to the extent of eight per cent. on the import.

The next class of articles that are usually classed as food, but that are of a totally distinct class from those mentioned, are spirits, wine, liquors and tobacco.

The import of these in 1885 was as follows :

TABLE XIV.  
(£ stg., 000's omitted.)

	From British countries.	From Foreign countries.	Total.
Beer and ale .....	....	59	60
Spirits .....	506	1,622	2,131
Wine .....	48	5,078	5,126
Tobacco .....	88	3,755	3,845
Totals .....	642	10,514	11,162

I have no particular comment to make on these, except that they should be treated as luxuries, and taxed in the manner that will contribute best to promote the welfare of the state, being made subservient, if necessary, to the binding together of the different parts of the realm.

In a general way we may conclude with regard to taxes on food by saying :—

1st. That on the first class above mentioned, the probability is that the whole tax, but on the import alone, will be paid by the English people. The benefit will be divided between the agricultural class of the Mother Country and the inhabitants of the Colonies.

2nd. On the second class, while the Colonies would be benefited also, the whole of the tax will not be paid by the people of the Mother Country : a portion must be borne by the foreigner, compelled thereto by the competition of the Colonies ; and, this competition would be more and more keen as the development of the Colonies went on.

3rd. The Imperial revenue would benefit by the whole amount of the taxes, as well that portion paid by the foreigner as that paid by the home consumer ; and the Mother Country would therefore be able to reduce other taxes now paid by the consumer on other food products, or would be relieved of the interest on part of the national debt by paying off the capital.

4th. The consumers would be very largely benefited by reduction of their taxation in consequence of the Colonies assuming a portion of the expense of Imperial defence, now

entirely paid by the people of the Mother Country, and this benefit would also be a growing one as the Colonies became wealthier and more developed communities.

#### RAW MATERIALS.

As my proposal has been to impose duties on such raw materials of manufactures as can easily be produced in sufficient quantities within the Empire to sustain existing manufactures, a list is given in the Appendix, Table XV., of the articles that seem to come within this category.

Raw materials that on this scheme would be made subject to duty, are, for the most part, those that appear in the trade tables, as coming chiefly from British countries, but in a few cases where I know from other sources of information, that the colonies are in a position to fully supply the home markets, I have included such items in the list.

The totals in Table XV. are :

From British Countries .....	£46,990,000
" Foreign " .....	26,284,000
	<hr/>
Together .....	£73,275,000

All other raw materials are intended to be free of duty. A list of these also is given in the Appendix, Table XVI.

The totals in this Table are :

From British Countries .....	£ 6,262,000
" Foreign " .....	80,277,000
	<hr/>
Together .....	£86,555,000

These two lists of raw materials amount together to :

From British Countries .....	£53,252,000
" Foreign " .....	106,551,000
	<hr/>
Total .....	£159,830,000

They are drawn up of course only to illustrate the principle. The particular articles coming under each class would be determined after an investigation by a Committee of Parliament.

The last list, Table XVII. in the Appendix, is of articles chiefly manufactured, which it is also proposed should be subject to duty, the object really being to charge the duty upon all articles of every kind imported from foreign countries ; the exception being made of raw materials not fully supplied within the Empire, simply in the interest of manufactures already estab-

lished or capable of being established. The division into the several classes is made because it might be thought advisable to impose a higher rate of duty upon manufactures and luxuries than upon food and raw materials.

The following table is a recapitulation of the several lists of imports into the United Kingdom, 1885, above referred to:—

TABLE XVIII.

—	From British countries	From Foreign countries	Total.
Table XI. Food Produce of Temperate Zone . . . . .	£15,035	£88,253	£103,272
" XIII. " " Tropics . . . . .	13,229	31,414	44,651
Total food . . . . .	28,264	119,667	147,923
" XIV. Spirits, wines and tobacco . . . . .	642	10,514	11,162
" XV. Raw materials, chiefly British . . . . .	46,990	26,284	73,275
" XVI. " " chiefly foreign . . . . .	6,262	80,277	86,555
Raw materials total . . . . .	53,252	106,561	159,830
" XVII. Manufactures, etc . . . . .	2,097	49,634	51,747
Grand totals . . . . .	£84,255	£286,376	£370,662
The Imports given in the Import Tables being* . . . . .	£84,401	£286,566	£370,955

## RE-EXPORT TRADE.

We have now to consider the effect such a policy would have upon the trade of the Mother Country.

With regard to manufactures, and such other goods now imported, as would, under the policy advocated be produced in the United Kingdom itself, it is manifest that there would be a slight diminution of external, and a corresponding increase of internal trade. These two would very largely balance one another, and with respect to them I do not think it will be pretended that there would be any serious injury to trade generally.

It is said to be otherwise with regard to those articles that are now imported from one country and exported to another—what is known as re-export or transient trade.

\* The difference is principally due to the fractional thousands being left out in the above, which in the additions of a large number of articles makes a discrepancy. The same explanation accounts for an occasional difference between the sum of the first two columns and the third column in the above tables.



The first thing that we require to know about this is, what it amounts to at the present time. We have seen the amounts of the imports into the United Kingdom in 1885 of the several classes of goods. The re-exports, that is the exports of foreign and colonial produce, amounted in 1885 to £58,359,194. Of the greater part of these, tables can easily be prepared, dividing them into the classes above given for imports. The following table shows the total amounts of imports and of the re-exports of each of the classes given. These might be given in as great detail as the imports themselves, but it may suffice to give the the totals, which are as follows:—

TABLE XIX.  
(£, 000's omitted.)

	Total im- port.	Net home consump- tion.	Re-export.
Food .....	£147,923	£136,464	£11,459
Spirits, wine and tobacco .....	11,162	9,614	1,548
Raw materials, chiefly British .....	73,275	47,366	25,909
Raw materials, chiefly foreign .....	86,555	74,192	12,363
Manufactured and other articles .....	51,747	44,939	6,808
	£370,662	£312,575	£58,087

I have no means of knowing how much of these re-exports are of colonial, and how much of foreign produce, but it may be presumed that the proportion was the same as the imports of the same articles. Assuming this to be the case, the following shows the proportion of the re-export trade chiefly of foreign, and the proportion chiefly of British, goods:—

TABLE XX.  
(In £, 000's omitted.)

	Imports from British countries.	Estimated home consumption	Estimated re-export of British.
Food .....	£28,264	£25,910	£2,354
Spirits, wines and tobacco .....	642	544	98
Raw materials, chiefly British .....	46,990	30,513	16,477
Raw materials, chiefly foreign .....	6,262	5,303	959
Manufactures, etc .....	2,097	1,800	297
	£84,255	£64,070	£20,185

*Continued.*

	Imports from Foreign countries.	Estimated home consumption	Estimated re-export of Foreign.
Food . . . . .	£119,667	£110,562	£9,105
Spirits, wines and tobacco . . . . .	10,514	9,064	1,450
Raw materials chiefly British . . . . .	26,284	16,862	9,422
Raw materials chiefly foreign . . . . .	80,277	68,873	11,404
Manufactures, etc . . . . .	49,634	43,113	6,521
	£286,376	£248,474	£37,902

The amount of re-exports which may be assumed to be of foreign produce was, therefore, in 1885, £37,902,000. From this has to be deducted £11,404,000 which would still remain free of duty. The remainder, £26,498,000, is what would be affected by the proposed policy. It forms about four per cent. of the total trade for the year (1885) which was:—

Imports . . . . .	£370,967,000
Exports . . . . .	271,403,000
Total trade . . . . .	£642,371,000

This amount of trade, £26,498,000, might be affected in this way: these goods, if intended for re-export, would have to be entered in bond—which would certainly be an inconvenience, but not an insurmountable obstacle. There need be no difficulties put in the way of such operations. The perfection of administration that has been reached in the Mother Country at the present time, would enable the officials to reduce the bonding difficulties to a minimum.

Possibly, however, a certain proportion of this trade may arise from the fact that foreign goods are admitted free into the English market, not with the direct intention of re-exporting them, but because it is a free trade country. The answer I would make to this is: In spite of Free Trade, it is natural to expect this branch of trade to decrease. It is getting more and more evident that middle men and middle countries can be dispensed with. Foreign nations are opening up direct communication with one another, and even with British Colonies, and it is only in the natural course of things that this trade must decay. Our whole contention is based upon this idea: that it will be better to promote direct trade between countries of dissimilar

products, and having common political aspirations, than to depend upon the precarious profits of trade with countries, on whose policy, whether commercial or political, our Empire can exert no influence. The probability is that it will be more profitable for the United Kingdom to open up direct trade between the several countries of the Empire, subject to the least possible restrictions, than to consume effort and capital in endeavouring to retain a transient trade, which may have a certain value in itself, but which must rapidly disappear, chiefly for this reason: that, outside of the British Empire, there are few countries in the world of very great importance to be opened up as new countries. The British Colonies are themselves the countries in which the largest hopes for direct trade can be expected, and intra-Imperial trade is well worth developing.

Nevertheless, there does not seem any great probability that the foreign trade would be much diminished, either in amount or in profit, by goods being entered in bond, which would be the chief difference between the proposed and the present state of affairs.

By the policy we are advocating, moreover, England will become more and more the emporium for the interchange of the products of this great Empire, and foreign merchants will all continue to flock to London for the purchase of the productions of the British Empire, which are an absolute necessity to them—the British Empire, taken as a whole, being more nearly self-sustaining than any other country in the world; and there being no country that is not largely dependent upon it for its foreign supplies.

#### REVENUE.

The Revenue that would be collected in the United Kingdom by taxation, on the basis of the trade of 1885, would be somewhat as follows:—

The total foreign imports for consumption in that year amounted, as we have seen, to £248,474,000, of which £68,873,000 is raw materials, chiefly foreign, which it is proposed to continue free of duty, leaving £179,601,000 of dutiable goods. From this amount there would probably be a reduction by a transference of trade to British countries, whether the Mother Country or the Colonies, the amount of which it is impossible accurately to foresee; it would, no doubt, be different in the

different classes, but it is not probable that, for some time, it would exceed 10 per cent. of the amount. Deducting this, namely, £17,960,000, would leave £161,641,000. If a rate of duty averaging 10 per cent. were adopted, the revenue would be £16,164,100.

If such duties were imposed there could be a reduction to this extent in the present taxation of the United Kingdom, or else an amount equivalent to this, out of its other taxes, could be appropriated to the reduction of the national debt, as is being done in the United States, because I think the product of this particular tax should go into the Imperial Exchequer.

The next point to examine is how this tax would operate on the revenues of the Colonies. I have not the material for working it out as regards the other Colonies, but I can give an estimate for Canada.

The imports from foreign countries alone into Canada in 1885 were :—

Free.....	\$18,120,000
Dutiable.....	40,761,000
Total.....	<u>\$58,881,000</u>

These I have attempted to divide into the five classes above mentioned for the United Kingdom, and leaving out those included as raw materials, not readily produced in sufficient quantities in the Empire, the other classes are as follows :—

TABLE XXI.

(In \$, 000's omitted).

Foreign Import of :	Now Free.	Now Dutiable	Total.
Articles of Food .....	\$2,299	\$13,065	\$15,364
Spirits, Wines, Tobacco .....	1,428	1,497	2,925
Raw Materials, chiefly British .....	4,485	905	5,390
Articles, chiefly Manufactures ..	828	14,409	15,237
Totals .....	\$9,040	\$29,876	\$38,916

This amount, \$38,916,000, at 10 per cent. duty, would give a revenue of \$3,891,600, equal to about £800,000. In this case I do not make any allowance for diminished import, because

I believe the increased consumption consequent upon a rapidly increasing population, would more than counterbalance the decreased importation per head from foreign countries.

If the £200,000 now expended by Canada upon objects that would probably be undertaken by the Imperial Parliament be added to this, it would make the amount £1,000,000, which will be near about Canada's share of her contribution to Imperial expenditure. Now this 10 per cent. Imperial Tariff could be levied either by an increase of duty as against foreign countries, or by a decrease of the duty as against the other countries of the British Empire. In any event it would no doubt affect the revenue-producing power of the taxes already imposed. It would be quite possible for the increased revenue to be collected by a simple readjustment of the Customs duties; but as in the opinion of many this is not the best form of tax, and as the time may be hoped for when Customs duties may be very materially reduced, both within the Empire and against outside nations, it is worth while calling attention to some forms in which the Government of Canada could reduce their Customs duties and replace them by taxes more in conformity with economic principles.

As bearing upon the possibility of an income tax it may be mentioned that at the time of the last census, 1881, there were in Canada 1,390,604 persons engaged in profitable occupations. In another table there are given 753,017 as occupying houses. There seem, therefore, to have been about 1,000,000 persons who could pay a small income tax. And while such a tax levied at a high rate would be liable to evasion and fraud, there does not seem to be any very good reason why it should not be adopted at a low rate, as supplementary to other taxes. In the United Kingdom the rate is 8d. in the £ (= to 3 $\frac{1}{3}$ %), incomes under £150, or \$750, free. In 1884 the rate was 6d. in the £ (= to 2 $\frac{1}{2}$ %), and the amount it yielded was £11,922,770 (= \$55,000,000), or \$1.60 per head of the whole population of the United Kingdom. In Canada an income tax averaging one dollar per head of those engaged in profitable occupations, or twenty cents per head of the whole population, would yield \$1,000,000. If this were introduced, and the principle adopted in Canada as well as in England, of making the Senate or Upper House elective, every man receiving one vote for every dollar of direct taxes he paid, it would enable Parliament to reduce the Customs tariff as against



the other countries of the British Empire 10 per cent. below the rate charged to foreigners, instead of advancing the rate 10 per cent. against foreigners.

But there is a very serious difficulty in the way of imposing an income tax in Canada. There is none imposed by the central government in the United States, and it would be hazardous for a public man in Canada to propose any policy that would even have an appearance of putting our people in a less advantageous position than the people of the United States, while we are competing with them for intending emigrants from other countries.

If that consideration is found to be so powerful as to override the real economical advantages of such a tax, then we shall have to look in another direction. Possibly, as already stated, it could be found in a readjustment of the present Customs tariff. The revenue could probably be increased by lowering the rate of duty now imposed on certain goods imported from within the Empire. This would not necessarily be at the expense of the manufacturers, or rather they would be more than compensated for it by the certainty of a greatly increased consumption, resulting from the direction that would be given to emigration from the United Kingdom, which would more than suffice to give even larger employment to the Canadian factories already established, as well as to ensure a large increase in the consumption of imported goods.

But if this were found insufficient (and in the writer's opinion this is a policy that recommends itself on other grounds as well, as tending more directly to a sound system of finance), Canada could impose on certain articles an excise duty equivalent to the Customs duty levied on the same articles imported from within the Empire, or if not equivalent, at a somewhat lower rate than the import duty. The Government would have to select such articles as could most easily bear the tax, and the consumption of which would be sufficient to guarantee the necessary revenue.

Pending the full establishment of an Imperial system of raising revenue, the amounts derived from the Imperial Customs duty in any country, might, if deficient, be supplemented by votes from its Dominion or National Parliament (including that of the United Kingdom) but only as a temporary expedient, for as that would be essentially a precarious method, it should be relied upon only until other species of taxation had been thoroughly discussed in Parliament with its colonial representatives.

Furthermore, if the Imperial Customs duty in any country yielded an excess of revenue over the amount due from it, the remainder, after paying the contribution, would be paid over to the Local Government, and as a general rule the same officers could be named by the Imperial and Local Governments, so as to minimise the trouble of merchants and others passing customs entries, in the same way as municipal officers are frequently charged with the collection of Government taxes.

The adoption of some such revenue, and incidentally such trade, policy, I consider almost essential to carrying out a federation of the Empire. The Colonies may be willing to admit in principle that they should contribute something towards expenses incurred for the benefit of the whole, provided they are admitted to a proper voice in controlling the foreign policy of the Empire; but in its practical application, the greatest difficulties will be found. None of the Colonies have accumulated wealth; their resources are fully taxed to find the capital necessary to develop even in an imperfect way, the natural resources with which their different countries abound. Canada and the British West Indies are being constantly tempted by the standing invitation of the United States to sink their identity in the American Union, by accepting which their contributions to American National defence would be made by augmented customs duties, at the expense of the rest of the British Empire. There is thus a danger of their drifting into union with that country where their contributions, being indirect, can be more easily concealed.

It would thus be a grievous burden for all the Colonies to assume a contribution out of their present resources towards a protective force, of which, theoretically, they enjoy the benefit, but of which, practically, individual electors do not to any great extent feel the need. The only means by which they can be induced to contribute, is by some system which will "temper the wind to the shorn lamb," which will have a direct tendency to develop their resources, by giving them special advantages in the other markets of the Empire, over foreign countries—or, at all events, over countries that deny them the advantages of untrammelled inter-communication with them.

I have discussed the above as a system of finance for the Imperial Parliament, containing representatives from the Colo-

nies, to adopt; and it is my conviction that the proper order is to establish such a parliament first, before proposing to tax the Colonies for Imperial purposes. And at the same time I do not think that the Mother Country would, or should, abandon her policy of free trade with the world for the benefit of the Colonies, unless, at the same time, they assumed responsibilities for their proper share of Imperial expenditure—unless they form a partnership for the perpetual management, in common with her, of all their foreign and other Imperial affairs.

But, though less desirable, in my opinion, it is possible for the trade policy here recommended to be carried out—or even tentatively, for a tax to be imposed on the same principle, on foreign wheat, cattle, sugar and a few other selected articles (but including articles of considerable importance, so as to give a substantial benefit to the Colonies),—by concurrent tariff legislation on the part of the Mother Country, of Canada, and of the other self-governing Colonies; it being distinctly understood that the benefit of exemption from the Imperial duty in favour of any country of the Empire, would be conditional upon the duty being levied in that country upon its foreign imports and applied to purely Imperial purposes. But, if that were to be done, it would have to be preceded by a conference between the Mother Country and the Colonies, to come to an agreement as to the articles to which the uniform tariff should apply; and a bill, formed in accordance with such an agreement, would have to be introduced separately into each of the existing Parliaments. One objection to that method of procedure would be, that it would leave untouched the manner in which the Colonies are to exercise their influence upon foreign policy; and another, that it would be almost, if not altogether, as difficult to secure a consensus of opinion upon that single point, and to secure the passing of such a bill through all the Parliaments, as it would be to carry a large, comprehensive measure, dealing with the whole subject of the relations between the different countries of the Empire, and establishing a complete federal constitution, somewhat on the lines of the proposals contained in the earlier portion of this paper. The latter might be even easier, as the enthusiasm of the people could better be worked up for giving effect to a grand national scheme, than for an imperfect and undefined policy. And here it may not be out of place to deprecate what I am afraid is a national failing of ours, to shun a

thoroughgoing remedy for acknowledged evils, and to resort to insufficient half measures to tide over a difficulty.

#### COMMERCIAL ADVANTAGES.

To return now to the consideration of this trade policy, in whatever way it might be adopted, the chief ground on which I recommend it is that it enables the different great countries of the Empire to assume their proper share of Imperial responsibilities. It raises revenue for foreign purposes only by imposts upon foreign trade chiefly. It is as a system of raising revenue that I wish it to be adopted; but though that is the reason for putting it forward, it will not be improper as an inducement to secure its adoption, that some of the advantages which it offers, from a commercial point of view, should be pointed out.

First—The advantages that would result to the United Kingdom.

The greatest gain, present and prospective, is, of course, the assumption by the Colonies of liability for part of the cost of Imperial defence. This has already been commented on, and here I refer especially to trade advantages.

I cannot go through the trade relations of England with each of the Colonies, but I can give a slight indication of the manner in which the United Kingdom might be benefited in its trade with Canada. I take Canada chiefly because it is the Colony of which I have the best knowledge and most detailed information; but also because it is the least favourable instance, as a market, among the whole of the self-governing Colonies—the one in which the influences at work to detach her from the Empire are strongest, and in which the old colonial policy of neglect and indifference have produced the most serious effects.

Australia and the Cape are better markets for English produce than Canada, but even in the latter country the heart of the people is sound, and the field for development of traffic is simply immeasurable. The list given in Table XXI., p. 68, shows a large quantity of merchandise now imported by Canada from foreign countries, which she could almost equally well import from the United Kingdom, and this she would do by preference if there were an additional duty upon imports from foreign countries.

These imports amount, as we have seen, to \$38,900,000 a year, and of these, articles to the value of about \$25,000,000 are

such as England can supply with advantage. They include such items as books, coal and coke, cotton manufactures, fancy goods, rubber manufactures, glass, hats and bonnets, iron and steel, leather, silks, earthenware and china, woollen manufactures, paints and colours, brass, flax and hemp manufactures, oil cloth, musical instruments, watches, clocks, and almost every variety of merchandise. In these articles Canada is already a market of very considerable extent. It is true the country has not a very large population at the present time, but she is capable of sustaining a population of enormous magnitude, and it is the latter circumstance that makes it a matter of such importance that the country should be preserved to the Empire, and brought to recognize her responsibilities for its defence.

But, besides the gain that would result from this policy, we must take into consideration the loss that would be prevented. If Canada were to secede from the British Empire she would possibly seek annexation with the United States. If she did so, it is altogether idle to imagine that her influence would be used to promote freer trade with the Mother Country. Canada's desire, I believe, is to remain in the Empire; but if, through the indifference of the United Kingdom, it proves impossible to work up a feeling of solidarity among the British people such as exists in so marked a degree among the Americans, and if in consequence Canada should secede, it is almost to be expected that she will be animated by feelings rather of resentment than of friendship, and will not endeavour to cultivate closer relations, either commercial or political, with the country that allowed and even encouraged her to drift out of the Empire. If she did not immediately seek annexation with the United States, she would almost certainly make a commercial treaty with that country, by which free trade between the two countries would be adopted, and to make up the consequent loss of revenue of from \$7,000,000 to \$15,000,000 a year, Canada would increase her duties against England to the rate now levied by the United States; and the two countries, or the united American Nation, would combine to drive England out of other markets of the world; and with the resources at their command their efforts might be attended with a large measure of success.

The following comparison of the duties on imports from England is taken from Sir Thomas Farrer's Book, "Free Trade *vs.* Fair Trade," pages 168, 170:



Comparison of United States and Canadian tariffs on imports from the United Kingdom :

TABLE XXII.

	United States.	Canada.
Cotton Yarn, single, unbleached .....	56	20 to 25
“ Cloth, unbleached.....	35	16
Linen Yarn single, unbleached.....	40	20
“ Cloth unbleached (Packing).....	35 to 40	25
“ “ “ other.....	35 “ 40	20
Woollen Yarn, single, unbleached.....	80	30
“ Cloth, plain, unprinted.....	75	30
Porcelain, White.....	45	25
Glass, Common bottles.....	35	20
“ “ window.....	50 to 70	20
“ Plate: small sizes.....	20 “ 25	20
“ “ large sizes.....	65 “ 110	20
Iron, Pig.....	45	13
“ Bar.....	60 “ 90	17½
“ Rails for Railways.....	45	15
“ Rails, partly steel.....	65	
“ “ pure “.....	80	free to 1883
Copper, Ingots or slabs.....	34	10
“ Hammered in bars.....	30	10
Tanned, Leather (unwrought):—		
Ox and cowhide.....	15	10
Calfskins.....	25	15 to 20
Alkali—Bicarbonate of Soda.....	70	20
“ Caustic Soda.....	70	free
Paper for writing.....	35	20
“ “ Painting (unsized).....	20	20
“ “ “ (sized).....	25	20
Seeds, oils, Linseed.....	72	25
“ Rape.....	48	20
Coal, Anthracite.....	free	23
“ Bituminous.....	33	28
Beer or ale in casks.....	55	23
“ “ bottles.....	95	40

In corroboration of this and in order to arrive at a general comparison between the duties of the two countries against the produce of the United Kingdom, finding that information is not obtainable at Washington as to the amount of duty collected on imports from each country, I have taken from the United States' Tables of Commerce for 1885 the total amount of each article imported from the Mother Country, and have calculated the duty at the rate given as the equivalent ad valorem amount of the specific and ad valorem duties levied, and find that on \$112,143,000 of dutiable imports, plus \$24,494,000 free goods,

or a total of \$136,637,000, the amount of duty collected was \$41,975,441, being the equivalent of 30.72 per cent. of the whole. For the same year Canada's imports from the United Kingdom were \$30,702,000 dutiable; \$10,704,000 free; total, \$41,406,000, on which the duties collected were \$7,617,000, being 18.39 per cent. So that, as part of the British Empire, Canada, the immediate neighbour of the United States, levied duties on the produce of the United Kingdom at a rate of forty per cent. less than the rate collected by the United States. Even the new iron duties will but very slightly alter the general rate of Canada's import duty. This is the answer to those who blame Canada for her protective policy, to which may be added that Canada is willing to discriminate in England's favour as soon as England will reciprocate. Nor would the reductions in the American tariff proposed in the Mills bill of the Cleveland administration have greatly benefited their trade with the United Kingdom, as they were almost exclusively in raw materials which are brought from other and newer countries. Their effect would rather have been to make them more formidable competitors with England in neutral markets for manufactures.

It is surely, then, the interest of the United Kingdom to try to send a large number of people to the Colonies, where they will be likely to preserve better trade relations with the Mother Country than any foreign nation has shown a disposition to do. The real meaning of the demand that is now being made by a section of the people of Canada for power to make their own commercial treaties independently of the Mother Country is that those people wish, though they do not avow it,\* to discriminate against the Mother Country, and do not hope to be able to do so while they are expected to recognize their responsibilities towards the Empire of which they form a part.

Will it not be better to organize the Empire in such a way as will give some recognition to the commercial policy of its several parts, to endeavour to get freer trade within the Empire, even at the expense of some sacrifice of one-sided free trade with foreign countries? It may here be well to repeat certain figures

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\* This was written in the summer of 1886, and they now (March, 1888) do emphatically avow it, many of the Liberal party having distinctly committed themselves to what they call unrestricted reciprocity with the United States, which must distinctly discriminate against all other countries, including the whole of our Empire.

relative to the quantity of imports from the United Kingdom taken by the different Colonies and by foreign nations, respectively, in proportion to their numbers, that is to say, in proportion to their consuming and producing power.

The following statement was made up in 1882, which is as good as anything that could be made until after the next census:

TABLE XXIII.

Imports per head of Population from the United Kingdom.

FOREIGN COUNTRIES.	Produce of United Kingdom.	Including other Produce.
United States .....	£0.59	£0.74
Germany .....	.41	.67
France .....	.46	.79
Holland .....	2.25	3.89
Belgium .....	1.46	2.73
Holland, Belgium and Switzerland ....	1.35	2.44
Russia .....	.05	.08
Italy .....	.23	.26
Spain .....	.22	.29
BRITISH POSSESSIONS.		
Channel Islands .....	6.57	8.94
Canada .....	2.10	3.31
Newfoundland .....	3.28	3.74
South Africa—		
Natal .....	3.74	4.06
The Cape.....	8.32	8.95
Australasia .....	9.23	10.36

The only two foreign countries that compare with the Colonies are Holland and Belgium, which are almost free trade countries. One of these, however, should really include Switzerland, with her population of 2,846,102, which should have been added to the population of Belgium, 5,720,000 (in 1883), and of Holland, 4,278,000 (in 1885); for any trade with Switzerland by water probably appears in Holland's returns, as the Rhine River, which runs from Basle, enters the sea through Holland, and as to overland commerce, it appears to go principally through Belgium, since we find most of the watches imported by the United Kingdom, entered as coming from Belgium, namely, £501,000 out of £511,000 sterling. If we take the three countries together, the import per head is under that of Canada.

It is with these countries, moreover, that we might expect to make a reciprocal arrangement such as has been indicated above, and I am reminded that a proposal has already been made by a Belgian economist that the free trade countries of the world should form a union among themselves; and I think the trade of the United Kingdom is sufficient to effect such an arrangement, even if she insists upon the terms that have been pointed out with regard to admission to colonial markets. Indeed, Holland and Belgium have already a tariff very much like the one it is proposed England should be asked to adopt—at all events, it would be very easy to alter it to that basis.

Comparing Canada once more with the United States, we see that her import of produce of the United Kingdom is £2.01 per head, while that of the United States is £0.39 per head, or taking the total import from the United Kingdom, Canada is £3.31, and the United States £0.74, and the principal reason for the difference in favour of Canada is that she is part of the British Empire. All this trade has sprung up by the exertions of a sparse population without any fostering whatever; but if the Imperial policy suggested were adopted, by which Canada should get a larger share of the British emigrants, they would be certain to afford a much better market for British produce than even at the present. In general, it may be said that the Colonies are from three to twenty times as good customers per head of the population as are foreign countries.

Again, the adoption of this policy would have important and far-reaching consequences with regard to the younger Colonies—those that have not already adopted a protective tariff against the Mother Country. Upon their being incorporated fiscally, so to speak, even in the limited degree suggested, with the other countries of the Empire, the tendency to impose taxes upon British trade would be very greatly diminished. And while it may be difficult in countries where protective duties are already in force to induce the people to abandon them, and while even a reversion to freer conditions may take some time to bring this about in those countries, the danger of the same course being followed in the Colonies in which such duties have not yet found a footing may be forestalled. As things are going at present, it looks as if England would rapidly find herself shut out of all the other markets of the world, upon her granting to colony after colony the right to control their tariffs; but there are many

colonies to which she still has free access, and by the adoption of the policy I have suggested she may retain this free access permanently.

Secondly—What commercial advantage would Canada derive from this policy?

The political advantage would be, having at her command the whole force of the British Empire for the protection of all her international rights at a much smaller cost than the maintenance of an army and navy as an independent power, or than contributing her proportion according to population, of the expenses of this character, under annexation with the United States.

As to the commercial advantages, I have dealt to some extent with this aspect of the question in a paper entitled, "On Commercial Union with the United States, with a Word on Imperial Reciprocity," published by the Montreal branch of the Imperial Federation League in Canada, and I shall content myself with stating a few of the general results there arrived at. It will suffice to call attention to the facts already mentioned in a general way, namely, that the Mother Country is necessarily a large importer of everything that Canada can produce for export. Thus we have seen her import of food products in 1885 from foreign countries alone, was £93,608,000, and of almost the whole of these articles, Canada is a large producer, though at present she supplies not more than £6,000,000. Table XXIV. in the Appendix, compiled from the Canadian export table for 1885, and the English trade statement for the same year shows the amount of export of the various articles in question to the United Kingdom, and also the total export to all countries, but taking account of the produce of Canada alone, with the amount of each article imported into the United Kingdom from foreign countries in the same year (1885).

The totals of the articles enumerated in this table of Canadian exports are:—

	To the United Kingdom.	To All Countries.
Agricultural produce.....	\$ 5,306,000	\$12,290,000
Animals and their produce.....	16,361,000	19,144,000
Fish and their produce.....	1,543,000	7,960,000
Raw materials.....	2,590,000	3,925,000
"    "    wood .....	9,577,000	20,989,000
Manufactured and other.....	620,000	3,122,000
	<hr/> \$35,997,000	<hr/> \$67,430,000



Total exports from Canada, 1885. Produce of Canada :—

To United Kingdom.....	\$36,479,000
To all countries.....	76,183,000

Same, including not produce of Canada :—

To United Kingdom .....	\$41,871,000
To all countries.....	84,263,000

Import (1885) by the United Kingdom of articles above enumerated (£ multiplied by 5 to give \$):—

Agricultural produce.....	\$221,685,000
Animals and their produce .....	154,750,000
Fish, fresh and salted.....	8,045,000
Raw materials.....	53,335,000
"    "    wood.....	52,435,000
Manufactured and other.....	71,315,000
	<hr/>
	\$561,565,000

This, then, is the extent of the market of the United Kingdom for articles of which Canada now supplies only \$35,997,000. It is easy to see how vast a field for the expansion of her commerce, the granting of a preference in such a market would be. To gain this, it is very certain that all the Colonies would be glad to reduce their tariffs against the rest of the Empire.

TRADE BETWEEN CANADA AND AUSTRALASIA—Let us look, now, at some of the other markets of the Empire, and first, Australasia. The several Colonies of Australia and New Zealand imported in 1885, from foreign countries, merchandize to the value of \$33,755,000. This amount comprised, among others, the following quantities (values) of a few of the articles that Canada can well supply them with:—

TABLE XXV.

Foreign imports by the Colonies of Australasia of certain articles that can be produced by Canada, 1885:

Articles.	Value.
Agricultural Implements—	
Mowing machines .....	\$131,000
Ploughs.....	6,000
Others.....	107,000
Carriages and parts.....	388,000
Clocks.....	114,000
Fish—	
Salmon, canned.....	383,000
Iron—	
Sewing machines.....	129,000
Locomotive engines.....	140,000

Leather—	
Finished, upper.....	\$147,000
Patent.....	49,000
Musical Instruments—	
Organs.....	138,000
Oil—	
Seal.....	51,000
Provisions—	
Beef, canned.....	12,000
Wood—	
Lumber.....	840,000
".....	43,000
Household furniture.....	361,000
Woodenware.....	68,000
Other wood manufactures.....	192,000
	\$3,299,000

Canada could import in return from Australasia, copper, tin, lead, Kauri wood and gum, pearls, certain kinds of leather, hides, cordage, tallow, fruit (green), sugar, jams and preserves, preserved meats, coffee, wines, wool and certain woollen goods.

BRITISH WEST INDIES—Among the articles Canada could send to the West Indian Colonies may be mentioned several of their most important imports; such as cattle, Indian corn, bread and biscuit, oats, wheat, flour, meal, fish, certain cotton manufactures, fresh and salted beef, salted pork, butter, cheese, soap, refined sugar, wood (lumber, shooks, staves, headings and household furniture). Their total imports in 1885 from foreign countries were \$13,280,000.

Canada could receive from them in return asphalt, drugs, cocoa, cocoanut, coffee, bananas, India rubber, hardwoods, oranges, preserved fruits, wool, spirits, sponges, molasses, sugar.

BRITISH HONDURAS—Belize imports large quantities of fish and wheat flour, and exports mahogany and hardwoods, drugs, sugar, bananas, cocoanuts, India rubber. Total imports from foreign countries in 1885, \$720,000.

BRITISH GUIANA imports wheat-flour, fish, salt, beef, cheese, soap, lumber, shooks, staves, headings; and exports drugs and sugar. Her total imports from foreign countries in 1885 were \$2,025,000.

HONG KONG imports large quantities of wheat-flour, fish, also certain illuminating and other oils; and exports gums, drugs, spices and tea, silks and sugar. Her imports from the United States in 1885 amounted to \$4,320,000.

THE EAST INDIES import largely of uncoloured cotton and illuminating oils ; and export a great variety of produce, among which may be mentioned dye-woods, kutch, shellac, indigo and other drugs, coffee, kauri, rice, goat-skins, India rubber, fixed and expressed oils, plumbago, volatile oils, spices, nutmegs, pepper, tea, tin, teak wood. India's total imports from foreign countries in 1885 amounted to \$68,890,000. Those of the Strait Settlements were \$49,095,000.

BRITISH AFRICA imports largely of the following articles, produced to great advantage in Canada : agricultural implements, illuminating oil, canned beef, lard, soap, wood, lumber, shooks, staves, headings, household furniture, and other woodware and manufactures. Their total imports from foreign countries in 1885 were \$5,305,000. They already send to Canada unmanufactured wool and sugar, and also dye woods, drugs, goat skins, spices, sugar, and ostrich and other feathers.

In trade with all these countries the British people derive certain advantages, or, at least, preferences, from being under a common flag ; and it only requires the establishment of lines of steamships to make trade between all these countries spring into vigorous life.

Thirdly. Similar opportunities for enlarged trade within the Empire would be placed at the disposal of every country in the Empire. The articles in which each would be benefited can be easily selected from the various tables given in the Appendix. But one item is of sufficient importance to have very special attention called to it : that is sugar. It seems the height of folly that England should allow that important part of her dominions, the British West Indies, to go to ruin, by persisting in buying for a fraction of difference in price £15,819,000 worth a year (in 1885) of sugar and products of sugar, from foreign countries, while she has possessions which would spring from continued depression, into vigorous activity and prosperity, would buy more and more largely of English produce, and would also join in paying for England's defence, if only England would give their produce a slight preference in her markets. The reason why certain of those islands have been willing to negotiate a treaty with the United States discriminating in their favour as against England, is that the policy of the United States would

have shut out other competition. If England would treat them in the same way, her markets would be much more valuable than the American. I very much doubt if the simple removal of the bounty system would suffice to revive the prosperity of the British West Indies (and the fate of the Sugar Bounties Convention shows how difficult it is to secure the passage of a half measure), but the policy I am advocating would certainly do so, and England would as certainly share largely in the effects of that restored prosperity. And in the case of sugar, England would not pay all the duty, it would be largely paid by competition between the Colonies and foreign countries.

With regard to South Africa the imports into the Cape of Good Hope and Natal from outside countries include articles that are for consumption in the other States to which allusion has already been made, and with which it is proposed to form a Zollverein. Any contribution based upon imports would therefore naturally be borne partly by the whole of the members of the Zollverein. If such a Zollverein is formed, therefore, it would be necessary to make a stipulation that the Imperial revenue duty should be collected in every part of the Zollverein, before the Zollverein or any part of it became entitled to enjoy the benefits of admission to the other British markets on the same terms as other British colonies. If this were agreed to by the non-British countries included in the Zollverein, they would become entitled to representatives in the Imperial Parliament, and by accepting that right would become *ipso facto* members of the British Empire; if not, they would in any event be liable to contribution. If they demurred to this, notice should be given at the first period when the Zollverein could be terminated, that it would be brought to an end; and the British colonies interested would have to choose between the local and the British trade alliance. And there is hardly a doubt that the interests of the British and of the non-British members of the Zollverein would be so manifestly promoted by the reciprocal advantages they would receive in the other markets of the British Empire, that no difficulty would be likely to arise in effecting such an arrangement. The same remark applies to Portuguese India.

#### THE MOST FAVOURED NATION PRINCIPLE.

One difficulty that may seem to stand somewhat in the way of carrying out such a revenue and trade policy, is that it might

interfere with the treatment of foreign nations upon the footing of the most favoured nation in matters of trade and imposts.

The British Government has entered into commercial treaties with most of the nations of the civilised world, in which there is a stipulation guaranteeing to the other nation, in matter of shipping and trade, the treatment of the most favoured nation ; and that no other or higher import or export duties shall be levied on the produce of the respective parties than on similar articles the produce of any other foreign nation.

A list is given in the Appendix, Table XXVI., of the treaties now in force containing these or similar clauses. They are divided into several classes, of which special mention need here be made only of the eighth class, in which the engagement is to grant the most favoured treatment and to impose no other or higher duties than on like produce of any other, or any third, "country"; and of the ninth class, which comprises two treaties, one with Belgium, passed in 1862, and the other with Prussia and the other States of the German Zollverein, passed in 1865, in the latter of which the expression used is likewise "any third country the most favoured," and in both of which there is provision that the produce of those countries is to be subjected in the British Colonies to no other or higher duties than the produce of the United Kingdom of Great Britain and Ireland, or, in the language of the Belgian treaty, than "similar articles of British origin."

Now, except as regards the two last mentioned treaties, I submit that the proper attitude for the British Government and Parliament to assume is, that in recognition of the most favoured nation principle, the duties levied on the same article imported from all foreign countries should be the same ; but that the right has not been, and will not be, relinquished to discriminate in favour of the several countries composing her Empire. The arrangement above proposed would be no breach of the most favoured nation principle, which was never intended to interfere with the internal fiscal arrangements of countries that are united for purposes of foreign policy, as all the countries of the British Empire are. And the only reason that might justify the position that the self-governing Colonies should be deemed distinct countries, inasmuch as they control their own tariffs, would no longer apply if a uniform Imperial revenue duty were levied on imports into all countries of the realm.

With regard to the great majority of the existing treaties this discussion is superfluous, as the language used, "foreign country," "nation," "state," "power," are not applicable to Colonies, nor indeed to any single part of the national unity, and their provisions do not at all interfere with the adoption of the policy suggested. This is true, so far as I have been able to discover from a pretty careful examination of them, as regards all the above treaties, except those mentioned in the last two paragraphs in the table. In respect of the treaties with Austria, Montenegro, the Netherlands, Roumania and Tunis (and if any others there be) there might be a question as to the interpretation of the word "country"—the question, namely, whether it is synonymous with "nation," "state," "power," etc., used in the other treaties. To resolve this beyond dispute, what is required is an Act of Parliament declaring: that in every treaty in which an undertaking has been assumed by the British Government to grant to any other state the treatment of the most favoured nation in regard to shipping, trade or import or export duties, and in which it is declared that no other or higher duties shall be imposed upon the produce or manufactures of the citizens or subjects of the other party to the treaty than on like articles the produce or manufacture of any other country, or any third country, the word "country" shall, in the absence of any other provisions be interpreted to mean a foreign country, and shall be equivalent to a foreign nation, and nothing in such provision of said treaties shall be deemed to prevent the several countries of the British Empire from admitting British produce free or at a lower rate of duty than the same articles of foreign produce.

As a matter of courtesy the attention of the nations with which treaties containing such expressions exist, should be called to such Act, and it will be for them if they deem this to be an infringement of the intention of these treaties, to give notice that they desire to terminate them, and their default to give such notice will be equivalent to accepting such interpretation for the future.

In regard to the treaties with Belgium, 1862, and with the German Zollverein, 1865, twelve months' notice should be given to the Governments interested, viz., Belgium, the German Empire, and the several States heretofore composing the German Zollverein, terminating these treaties, with an intimation that the British Government is willing to renew all the provisions of



the treaties except those that preclude the several countries of the British Empire from reciprocally admitting articles of British produce free, or at a lower rate of duty than similar articles of foreign produce—unless indeed it is permissible to denounce the objectionable stipulations alone, a course that has been suggested in some quarters.

In conclusion, the United Kingdom could adopt such a policy now, when her markets are really of great advantage to the Colonies. If its adoption be long delayed, the markets of the United States may become more valuable than those of the United Kingdom. Even now an attempt is being made to seduce Canada from her duty to the Empire and to lead her to enter a Commercial Union with the United States. The British West Indies have been subjected to similar influences; and some Englishmen have been blind enough not to see the ruinous effect such commercial arrangements would have on British connexion, though, happily, the rulers of the Empire seem to understand it. England could adopt the policy indicated without serious disturbance of foreign trade. It will undoubtedly lead to perfect free trade between all the countries of the British Empire, countries becoming every day more important and valuable for trade. But that must be by the free will of the different countries, and not by any coercion or even pressure upon them. Let them be represented for foreign policy in the same parliament as the United Kingdom, and the intercourse between the members will develop a desire throughout the whole Empire for the freest possible trade relations.

Such a policy will put the Empire in an advantageous position for treating with other nations. It will accustom the Colonies to contributing to Imperial revenues, which will be the great safeguard of British power in the future. Their share at the outset must and should be small, but with their increasing development they will take their proper share.

For many of the Colonies the question is not a vital one; their future, whether under the British flag or not, is assured. Nor is it even vital for England; she undoubtedly will, whether with or without the self-governing Colonies, remain a great and powerful nation. The question is whether either or both shall attain, or shall miss, their highest destiny. They can attain it only by remaining a united Empire. They can remain united

only by co-operation, and whether this shall be possible England has the most potent voice in deciding. To secure such co-operation it is not too much to hope that England will show a willingness to be influenced by the views of Colonists upon the question of how best to hold the Empire together. If the united interests of the whole realm, not solely as conceived by statesmen at home, but as their views may be modified after taking account of the views of the authorized exponents of public opinion in the Colonies—if the general interests thus interpreted demand a modification of England's fiscal policy, should it not be the aim of every citizen of the British Empire to urge that action be taken before any one of the splendid possessions of our Queen has cut adrift? If England will but look forward to the time when Canada will be a country as populous and as great as the United States now is, when Australia will be another country as great, will she not try to pursue a policy that is likely to retain them perpetually under her flag? We have only to develop the feeling that the Empire is one, and bring people to see that it must be one in interest as well as in history and institutions. It is not the work of merchants, of agriculturists or of manufacturers exclusively. For these the paramount question will be the immediate effect likely to be produced on their individual concerns. It is a work for statesmen, who can look beyond the passing hour, who can weigh the vast forces that go to building up a nation, often taking a long time to produce their full effects. As rulers of weaker communities, the British have vindicated their title to an honourable pre-eminence among the nations of the world. Let us pray that they may not fail when it comes to facing the supreme problem of their historical development, that of devising the means by which the free self-governing countries of the entire realm may co-operate together for the attainment of the great common aims of their national life.

We appeal alike to the people of the United Kingdom and of the Colonies. We do not hope to carry out any such policy unless it meets with the hearty, determined and well-considered approval of the people. If we undertake this as an aristocratic movement we shall fail, if we carry the people along with us, we shall and must succeed.



APPENDIX.

TABLE III.—(See Page 48).  
TRADE OF THE BRITISH EMPIRE, 1885,  
(See Rawson's Synopsis, Table VIII.) In £ stg., omitting 000.

COUNTRIES.	IMPORTS.			EXPORTS.			TRADE.		
	British.	Foreign.	Total.	British.	Foreign.	Total.	British.	Foreign.	Total.
United Kingdom . . . . .	84,402	286,566	370,968	85,424	185,979	271,404	169,826	472,546	642,372
India . . . . .	62,347	13,778	76,125	53,428	35,607	89,035	115,776	49,384	165,160
Asia and Mauritius . . . . .	14,673	10,559	25,232	12,443	11,384	23,827	27,116	21,943	49,059
Australasia . . . . .	56,659	6,751	63,410	48,107	3,560	51,667	104,706	10,311	115,078
British Africa . . . . .	6,940	1,061	8,001	7,486	1,187	8,673	14,425	2,248	16,674
“ North America . . . . .	10,261	13,026	23,287	10,136	9,772	19,908	20,397	22,798	43,194
“ West Indies . . . . .	2,964	2,656	5,620	2,987	2,784	5,771	5,951	5,440	11,391
“ South America . . . . .	1,101	414	1,515	1,478	420	1,899	2,580	834	3,414
Totals . . . . .	239,347	334,811	574,158	221,490	250,693	472,184	460,838	585,504	1,046,342
Deducting Intra-Australasian trade . . . . .	21,614	.....	21,614	20,499	.....	20,499	42,113	.....	42,113
Intra-West Indian . . . . .	217,733	.....	552,544	200,991	.....	451,685	418,725	.....	1,004,229
.....	309	.....	309	224	.....	224	533	.....	533
Intra-African . . . . .	217,424	.....	552,235	200,767	.....	451,461	418,192	.....	1,003,696
.....	307	.....	307	179	.....	179	487	.....	487
Net External . . . . .	217,117	.....	551,928	200,588	.....	451,282	417,705	.....	1,003,209

The amount of Australian trade first above given includes that between the Australian Colonies themselves, which, as corresponding to the trade between the several provinces of the Dominion of Canada, should not be taken into account. The amount of this trade is as follows :—

TABLE IV.  
(In £, omitting 000).

	Imports from Australasia.	Exports to Australasia.	Total trade with Australasia.
New South Wales.....	£8,402	£6,853	£15,255
Queensland.....	3,362	3,503	6,865
Victoria.....	5,675	5,652	11,327
S. Australia.....	1,399	1,659	3,058
W. Australia.....	319	64	383
Tasmania.....	983	1,120	2,103
New Zealand.....	1,282	1,385	2,667
Fiji.....	192	263	455
Totals.....	£21,614	£20,499	£42,113

	Imports.	Exports.	Trade.
Total Australasian trade within the Empire.....	£56,659	£48,107	£104,766
Deduct Intra-Australasian.....	21,614	20,499	42,113
Net British (excluding Australasian)	£35,045	£27,608	£62,653

The trade in 1885 between the different British West India Islands, including Bermudas and Honduras, was, as stated in Sir R. W. Rawson's work :—

Imports.....	£ 309,163
Exports.....	224,278
Total.....	£533,441

Deducting this from their total British trade above given (000's omitted).

Net British, excluding West Indian :—

Imports.....	£2,964 - £309 = £2,655
Exports.....	2,987 - 224 = 2,763
Trade.....	5,951 - 533 = 5,418

For Africa, including the Cape, Natal, St. Helena, Lagos, Gold Coast, Sierra Leone and Gambia, the amounts in 1885 of internal or British African trade are :—

Imports.....	£307,733
Exports.....	179,307
Total.....	£487,040



Deducting as above from total British trade (000's omitted).

Net British, excluding British African :—

Imports . . . . .	£6,940 - £308 =	£6,632
Exports . . . . .	7,486 - 179 =	7,307
Trade . . . . .	14,425 - 487 =	13,938

On the basis of the trade of 1885, according to Sir R. W. Rawson's book, the foreign trade and contributions would be as follows ; in which it will be seen the share of the United Kingdom is slightly less than that given in the table for 1883 in the text, and that of India with Asia and Mauritius is considerably greater than the East Indies and Mauritius as there given :—

TABLE V.—(See page 48.)

(In £, omitting 000).

1885.	Foreign Trade.	Contribution, £.	Members in House of Contributory.
United Kingdom . . . . .	472,546	21,791	403 or 513
India . . . . .	49,384	2,278	42 " 53
Asia and Mauritius . . . . .	21,943	1,012	19 " 24
Australasia . . . . .	10,311	476	9 " 12
North America . . . . .	22,793	1,050	20 " 25
West Indies . . . . .	5,440	250	5 " 6
Africa . . . . .	2,248	105	1 " 2
South America . . . . .	831	38	1 " 1
Totals . . . . .	585,504	27,000	500 or 636

Tables VI. to X. contain an analysis of the products of the temperate zone. See pages 54 and 55.)

The first article is Wheat. The Imports into the United Kingdom of WHEAT and WHEAT FLOUR in 1885 were (omitting 000's) :—

TABLE VI.

	FROM BRITISH COUNTRIES.		FROM FOREIGN COUNTRIES.		TOTAL IMPORT.	
	Cwt.	£ stg.	Cwt.	£ stg.	Cwt.	£ stg.
Wheat . . . . .	19,194	7,448	42,303	16,637	61,498	24,085
Flour . . . . .	415	236	15,417	9,414	15,832	9,650
Total . . . . .	19,609	7,684	57,720	26,051	77,330	33,735

The average price of wheat imported was therefore £0.3917 sterling, = about eight shillings, per cwt.

The home production is given in the London *Economist*, February 20th, 1886, "Commercial History and Review of 1885," p. 10, as 49,319,000 cwt. Applying the same price to this we get its value as £19,318,252. The comparison between British and foreign is therefore (omitting 000's) :—

Home production . . . . .	49,319 cwt. of value	£19,318		
From British countries . . . . .	19,609 " "	7,684		
United British . . . . .	68,928 " "	27,002	being 50.90 per cent.	
While the foreign was . . . . .	57,720 " "	26,051	" 49.10 "	
Total consumption . . . . .	126,648 " "	53,053	100	

It would appear, then, that about half of the wheat used in the United Kingdom is of British, and half of foreign growth.

Take now the OTHER KINDS OF GRAIN. The relative production is somewhat as follows (Returns for 1885) :—

TABLE VII.

Grain.	HOME GROWN IN 1885.				FROM BRITISH COUNTRIES, 1885.	
	Lbs. per bus.	Bushels.	Cwt.	Value in £	Cwt.	Val. in £
Barley . . . . .	48	85,721,000	36,737,000	10,578,000	43,885	14,297
Oats . . . . .	32	160,440,000	45,840,000	14,895,000	794,634	268,314
Oatmeal . . . . .					172,230	98,666
Beans . . . . .	60	9,122,000	4,886,000	1,204,000	51,139	18,984
Peas . . . . .	60	4,339,000	2,324,000	839,000	1,155,044	378,264
				£27,516,000		£778,525

Continued (last three figures omitted) :—

Grain.	UNITED BRITISH.			FOREIGN.			TOTAL CONSUMPTION.	
	Cwt.	£	%	Cwt.	£	%	Cwt.	£
Barley . . . . .	36,780	10,592	70.1	15,322	4,518	29.9	52,103	15,111
Oats . . . . .	46,634	15,163	79.2	12,262	3,982	20.8	58,897	19,146
Oatmeal . . . . .	172	98	35.5	313	169	64.5	485	268
Beans . . . . .	4,937	1,222	53.5	3,466	1,062	46.5	7,794	2,285
Peas . . . . .	3,479	1,217	80.1	866	302	19.9	4,346	1,520
		£28,292	73.8		£10,033	26.2		£38,330

The following are given separately, as there is no appreciable quantity grown in the Mother country.

TABLE VIIA.  
(Last three figures omitted).

Grain.	FROM BRITISH COUNTRIES.			FROM FOREIGN COUNTRIES.			TOTAL IMPORT.	
	Cwt.	£	%	Cwt.	£	%	Cwt.	£
Maize.....	966.94	251.73	3.1	30,559	8,236	96.9	31,526	8,488
Indian meal....	.28	.32	2.0	13	18	98.0	13	19
Buckwheat....	3.14	1.02	3.8	79	25	96.2	82	26
Rye.....	.....	.....	.....	341	105	100.0	341	105
Other meal....	1.87	.58	.8	265	70	99.2	267	72
		£253.65	2.9		£8,454	97.1		£8,710

As supplementary to the above tables, and as useful for other purposes, we may give the total of the imports alone.

TABLE VIIb.  
(Last three figures omitted).

Grain.	Cwt.	£
Barley . . . . .	15,366	4,533
Oats . . . . .	13,057	4,250
Oatmeal . . . . .	485	268
Beans . . . . .	3,517	1,082
Peas . . . . .	2,021	681
Maize . . . . .	31,526	8,488
Indian meal . . . . .	13	19
Buckwheat . . . . .	82	26
Rye . . . . .	341	105
Other Meal . . . . .	267	72
Total . . . . .		£19,524

For POTATOES the following are the figures for 1885 :

Import from	Cwt.	£
British Countries.....	1,062,000	445,000
Foreign Countries.....	1,237,000	281,000
Totals . . . . .	2,299,000	£727,000

Giving an average price of £0.3162, (almost 6s. 4d.) per cwt.

According to the *Economist* (*loc. cit.*), the Home production was 6,374,000 tons, equal to 127,480,000 cwt., amounting, at the above price, to £40,309,000.

The table of relative production is therefore :—

TABLE VIII.

POTATOES consumed in 1885 (000's omitted).

	Cwt.	£
British, Home grown .....	127,480	£40,309
“ From British Countries .....	1,062	445
United British .. .	128,542	40,754 = 99.32%
Foreign .....	1,237	281 = 0.68%
Total Consumption.....	129,779	£41,035

The next item is ANIMALS FOR FOOD and their produce :—

TABLE IX.

Import 1885 (000's omitted).

Total Import.	Number.	Value, £.	British, £.	Foreign, £.
Animals living, Oxen and Bulls.....	281	5,959	1,295	4,663
“ “ Cows .....	45	878	113	764
“ “ Calves.....	45	209	1	208
Total Cattle .....	373	7,047	1,409	5,635
Animals living, Sheep and Lambs....	750	1,625	80	1,544
“ “ Swine .....	16	63	.....	63
Total Animals.....	1,139	8,735	1,489	7,242
	Cwt.			
Beef, salted.....	240	458	13	439
“ fresh.....	902	2,342	89	2,255
Meat, salted and fresh.....	30	85	1	79
“ preserved .....	526	1,534	507	1,042
Mutton, fresh. ....	571	1,483	837	648
Bacon.....	3,168	6,427	359	6,083
Pork, salted .....	311	502	8	496
“ fresh .....	69	183	.....	184
Hams .....	876	2,236	226	2,016
Totals .....		£23,990	3,529	£20,484

The first two columns are from the *Economist* (*loc. cit.*) the others from the Import Tables.

At the same place in the *Economist* we find that the number of animals in the United Kingdom, in 1885, was as follows (000's omitted) :—

Cattle, 10,825 ; sheep, 30,010 ; pigs, 3,671.

The annual slaughter is given in Major Craigie's paper (Statistical Society's Journal, 1883, pp. 25-26) as :—

Cattle, 19 per cent. ; sheep, 27 per cent. ; pigs, 100 per cent.

The annual slaughter on the above figure for 1885 would, at these rates, be :—

Cattle, 2,056 ; sheep, 8,102 ; pigs, 3,671.

These at the average prices of the imported animals as above, viz. :—

Cattle, £18.88 ; sheep, £2.16 ; pigs, £3.83, give as the value of the home production of meat (000's omitted) :—

Cattle.....	£38,817
Sheep.....	17,500
Pigs.....	14,059
Total Home production.....	70,377
Add, import from British Countries.....	3,529
Gives total British production.....	73,906 = 78.29%
Foreign import.....	20,484 = 21.71%
Total consumption.....	£94,390

The only other articles of which I can get comparative statistics are BUTTER and CHEESE.

TABLE X.

The imports of BUTTER and CHEESE, in 1885, were, (000s omitted) :—

	FROM BRITISH COUNTRIES.		FROM FOREIGN COUNTRIES.		TOTAL IMPORTS.	
	Cwt.	£	Cwt.	£	Cwt.	£
Butter .....	39	159	2,362	11,404	2,401	11,563
Cheese .....	610	1,241	1,222	2,827	1,833	4,069
Total.....	.....	1,400	.....	14,231	.....	15,632

Sir James Caird gives for 1878 (Major Craigie's paper, above cited, p. 23.), as the Home Production of butter and cheese together, 3,000,000 cwt. of the value of £13,500,000. Add to this the Import from British countries, £1,400,000, gives total British production of £14,900,000 = 51.15 per cent.

Foreign, 14,231,000 = 48.85 “

Total Consumption, £29,131,000

[Table XI., containing the Recapitulation of all the products of the Temperate Zone, is inserted in the text, *ante*, pages 54 and 55.]

TABLE XII.

Certain other Temperate Zone Imports into the United Kingdom, for which I have no comparative statistics, are, in £ (000's omitted), as follows:—

	From British Countries.	From Foreign.	Total Import.
Eggs .....	4	2,926	2,931
Farinaceous substances .....	288	514	802
Fish, fresh .....	14	700	714
“ cured or salted .....	371	909	1,280
Fruit, apples .....	93	623	717
Lard .....	83	1,523	1,606
Onions, raw .....	10	481	492
Poultry and game .....	....	654	655
Vegetables, raw (unenumerated) .....	82	384	467
Totals .....	945	8,714	9,664

TABLE XIII.—(See pages 60 and 61).

TROPICAL PRODUCE. Import, 1885, in £ Stg. (000's omitted).

	From British Countries.	From Foreign Countries.	Total.
I.—ARTICLES NOW FREE OF DUTY.			
Fruit—			
Almonds .....	.....	254	254
Nuts, other .....	79	368	447
Oranges and Lemons .....	7	1,474	1,481
Other raw .....	51	1,370	1,421
“ dried .....	12	195	208
“ preserved .....	19	185	204
Liquorice .....	.....	69	69
Pickles .....	1	108	109
Rice .....	1,804	381	2,185
Sago .....	181	1	182
Sauces .....	20	11	31
Spices—			
Cinnamon .....	58	.....	58
Ginger .....	152	3	156
Pepper .....	950	17	967
Unenumerated .....	228	61	289
Succades .....	39	106	146
Sugar—			
Refined .....	.....	1,611	1,611
Candy .....	.....	3,223	3,224
Unrefined Beet Root .....	.....	5,213	5,213
Unrefined Cane .....	.....	5,341	8,273
Molasses .....	2,931 } 33	105	139
Glucose .....	.....	326	326
	6,565	20,422	26,987



TABLE XIII.—Continued.

	From British Countries.	From Foreign Countries.	Total.
II.—ARTICLES NOW DUTIABLE.			
Tea .....	4,417	6,239	10,656
Coffee .....	1,724	1,571	3,295
Chicory .....	1	64	65
Cocoa .....	522	299	822
Chocolate .....		115	115
Fruit—			
Currants .....		1,458	1,458
Figs .....		187	187
Plums .....		51	51
“ dried .....		11	11
Prunes .....		32	32
Raisins .....		965	966
	6,664	10,992	17,658
Total Free and Dutiable. ....	13,229	31,414	44,651

TABLE XV.—(See page 63.)

(£ Stg., 000's omitted.)

Imports into the United Kingdom in 1885 of RAW MATERIALS, largely BRITISH.

	From British Countries.	From Foreign Countries.	Totals.
Alkali .....	23	29	53
Copper Ore .....	267	450	717
Drugs—			
Peruvian Bark .....	717	157	874
Dye Stuffs—			
Cutch, Gambier .....	558	5	563
Indigo .....	1,852	267	2,119
Myrobalms .....	344		344
Safflower .....	3		3
Dye Woods—			
Logwood .....	255	118	374
Gum—			
Arabic .....	166	160	326
Kauri .....	254	4	258
Lac .....	381	1	383
Gutta Percha .....	332	14	347
Hides—			
Raw, Dry .....	1,956	401	2,357
Wet .....	203	1,309	1,512
Horns and Hoofs .....	110	83	193
Ivory .....	179	316	496
Jute .....	3,235	5	3,240
Leather—			
Undressed .....	2,671	836	3,507
Dressed .....	57	2,068	2,125

TABLE XV.—Continued.

	From British Countries.	From Foreign Countries.	Total.
Manures—			
Phosphates . . . . .	104	523	628
Nuts, for Oil . . . . .	436	294	730
Oil—			
Fish, Train and Blubber . . . . .	170	275	445
Sperm . . . . .	17	56	74
Castor . . . . .	156	83	239
Cocoanut . . . . .	273	19	276
Palm . . . . .	505	712	1,217
Plumbago . . . . .	72	53	126
Saltpetre . . . . .	175	97	273
Seeds—			
Flax . . . . .	3,337	1,046	4,384
Rape . . . . .	681	196	877
Shells . . . . .	168	81	249
Skins and Furs—			
Goat . . . . .	435	93	528
Seal . . . . .	56	403	459
Sheep . . . . .	663	370	1,034
Unenumerated . . . . .		4	4
Undressed . . . . .	33	4	38
Furs . . . . .	467	444	911
Tallow . . . . .	642	937	1,580
Tin, in Blocks . . . . .	2,090	91	2,181
Wood—			
Hewn . . . . .	710	2,296	3,006
Oak . . . . .	194	459	654
Teak . . . . .	577	70	648
Unenumerated . . . . .	257	70	327
Sawn, Fir . . . . .	2,400	6,709	9,110
Unenumerated . . . . .	50	437	487
Staves . . . . .	23	516	539
Mahogany . . . . .	94	393	487
Wool—			
Goats . . . . .	313	639	952
Sheep . . . . .	18,329	2,622	20,952
Other kinds . . . . .		69	69
Totals . . . . .	46,990	26,284	73,275

TABLE XVI.—(See page 63).

Import into the United Kingdom in 1885 of RAW MATERIALS, largely FOREIGN.  
(£ stg. 000's omitted).

ARTICLES.	From British Countries.	From Foreign Countries.	Total Import, 1885.
Asphalt . . . . .	9	41	50
Bones . . . . .	12	67	79
Brimstone . . . . .	..	183	183
Bristles . . . . .	27	390	417
Caoutchouc . . . . .	324	1,657	1,981

TABLE XVI.—Continued.

ARTICLES.	From British Countries.	From Foreign Countries.	Total. Imports, 1885.
Copper—			
Regulus and Precipitate.....	16	2,149	2,165
Old.....	6	59	66
Unwrought.....	556	1,348	1,905
Partly wrought.....	.....	61	61
Cork, Unmanufactured.....	.....	227	227
Cotton—			
Raw.....	2,924	83,548	36,472
Waste.....	37	125	163
Drugs—			
Opium.....	4	451	456
Unenumerated.....	190	599	789
Dyestuffs—			
For tanning bark.....	92	54	147
Cochineal.....	.....	85	85
Aniline.....	2	236	239
Alizarine.....	.....	244	244
Extracts.....	26	348	374
Madder.....	.....	36	36
Shumach.....	.....	162	162
Valonia.....	.....	465	465
Unenumerated.....	73	303	377
Dye woods—			
Unenumerated.....	37	120	157
Extracts.....	.....	7	7
Flax.....	1	2,854	2,855
Tow.....	.....	338	338
Galls.....	30	88	118
Gold—			
Leaves.....	.....	155	155
Ore.....	20	1	21
Gum, Unenumerated.....	159	201	360
Hair—			
Cow.....	2	93	95
Horse.....	2	130	132
Unenumerated.....	.....	249	249
Hemp.....	291	1,824	2,115
Tow.....	1	95	96
Unenumerated.....	23	86	110
Hops.....	20	981	1,001
Ice.....	.....	216	216
Iron—			
Ore.....	5	1,951	1,957
Pig.....	.....	180	180
Bar.....	.....	1,219	1,220
Old.....	5	37	42
Sheet, unwrought.....	.....	113	113
Isinglass.....	55	33	88
Ivory, Vegetable.....	.....	24	24
Lead—			
Ore.....	19	107	126
Pig.....	1	1,209	1,210
Manganese—Ore.....	5	157	162
Manures—			
Bones.....	95	262	357
Guano.....	55	190	245
Unenumerated.....	2	122	124
Metal Leaf—			
Not gold.....	.....	10	10
Unenumerated.....	75	83	158
Old.....	4	29	33

TABLE XVI.—Continued.

ARTICLES.	From British Countries.	From Foreign Countries.	Total Imports, 1885.
Naptha wood .....		18	18
Nitre .....		1,115	1,115
Oil—			
Animal .....	10	219	229
Olive .....	1	980	981
Seed .....	3	365	368
Turpentine .....		387	387
Chemical .....	23	160	183
Unenumerated .....	8	98	106
Oilseed Cake .....	15	2,015	2,030
Ore, unenumerated .....	57	151	208
Painters' colours .....	5	789	794
Paraffine .....	4	416	414
Petroleum .....		2,289	2,289
Pitch .....	1	18	19
Plants .....	9	214	223
Platina .....		107	107
Precious stones .....	4	22	26
Pyrites .....		1,252	1,252
Quicksilver .....		326	326
Rags .....	5	460	465
Esparto .....		1,149	1,149
Other .....	9	631	640
Woollen .....	7	674	681
Rosin .....	4	315	319
Seeds—			
Clover .....	23	713	736
Cotton .....	22	1,831	1,853
Garden .....	1	30	31
Tares and Lentiles .....	6	100	106
Unenumerated oil .....	181	122	304
Other .....	18	289	307
Silk—			
Husks .....	61	613	675
Raw .....	68	1,396	1,464
Silver Ore .....	118	967	1,085
Specimens of Natural Science .....	2	9	12
Sponges .....	22	197	219
Stone, Marble, etc. ....	123	397	520
Tar .....	2	113	115
Tin—			
Ore .....	1	27	28
Unenumerated .....		5	5
Varnish, without spirits .....		9	9
Vinegar .....		7	8
Wax .....	40	108	149
Whalebone .....	3	119	123
Wool, Alpaca .....		225	225
Yeast .....		817	817
Zinc—			
Ore .....		92	92
Crude .....	3	844	848
Things unenumerated unmanufactured .....	198	1,081	1,279
Total .....	6,262	80,277	86,555

TABLE XVII.—(See pages 63 and 64.)

List of manufactured, and other articles imported into the United Kingdom in 1885. (In £ Stg., 000's omitted).

ARTICLES.	From British Countries.	From Foreign Countries.	Total.
Animals—			
Horses.....	6	189	195
Unenumerated.....	6	23	29
Arms and Ammunition—			
Swords.....		13	13
Cannon.....		205	205
Muskets, Rifles, etc.....	1	227	228
Shot.....		4	4
Gunpowder.....		250	250
Rockets.....	14	162	176
Art—			
Works of.....	2	80	82
Beads.....		90	90
Books.....	6	204	211
Brass.....	2	69	71
Buttons.....		299	299
Candles.....	1	172	173
Caouchouc Manufactures.....	1	396	397
Chemical Manufactures and Products.....	14	1,342	1,356
China and Porcelain.....	14	503	518
Clocks.....		408	408
Confectionery.....	2	852	855
Copper Manufactures.....		43	43
Cord, Twine, Cable Yarn.....	262	188	450
Cork, Manufactured.....	4	489	493
Cotton—			
Yarn.....		491	492
Manufactures: Muslins.....		27	28
Other Piece Goods.....	33	660	693
Hosiery.....		441	441
Unenumerated.....	3	812	816
Embroidery and Needlework.....	1	152	153
Feathers—			
For Beds.....	11	91	102
Ornamental.....	1,006	488	1,494
Flowers, Artificial.....		298	298
Glass—			
Window.....		538	538
Plate.....		186	186
Manufactures unenumerated.....		907	907
Hats and Bonnets—			
Straw.....		75	75
Felt.....		114	114
Other.....		20	20
Iron—			
Sewing Machine.....		252	252
Manufactures.....	14	2,346	2,361
Jute, Yarn.....		297	297
Lace.....		1,032	1,032
Lead, Manufactures.....		18	18
Leather—			
Varnished.....		135	135
Boots and Shoes.....	2	344	346
Gloves,.....		1,502	1,502
Unenumerated.....	1	217	218

TABLE XVII.—Continued.

ARTICLES.	From British Countries.	From Foreign Countries.	Total.
Linen—			
Yarn .....		231	231
Manufactures .....		271	271
Metal, Wrought or Manufactured .....		313	313
Musical Instruments .....	3	726	729
Paper—			
Printing or Writing .....		389	390
Hangings .....	8	41	49
Unenumerated .....	2	620	623
Millboard .....		351	351
Perfumery .....	28	84	113
Pictures .....	2	307	310
Plated Ware .....	1	15	16
Prints, Engravings .....	1	294	295
Silk—			
Thrown .....		231	231
Broad Stuffs, Silk or Satin .....	2	4,662	4,664
Velvet .....		932	932
Ribbons .....		2,177	2,177
Other .....		89	89
Unenumerated .....	163	2,241	2,405
Skins and Furs, Fur Manufactures .....	1	454	456
Stationery .....		134	134
Toys .....		572	572
Watches .....		626	626
Wood Furniture .....	57	392	450
House, Frame and Joiner Work .....	1	269	271
Woollen Yarn .....		221	221
Wool, for Weaving .....		1,774	1,774
Manufactures Goats' Hair .....	1	81	82
Cloths .....		267	267
Stuffs .....		5,114	5,114
Unenumerated .....	43	1,948	1,992
Zinc Manufactures .....	1	358	360
Manufactured Goods, Unenumerated .....	377	5,799	6,176
Totals .....	2,007	49,634	51,747

TABLE XXIV.—(See pages 79 and 80.)

## CANADA'S EXPORTS TO UNITED KINGDOM.

In dollars; £ multiplied by 5 to give \$. (Last three figures omitted.)

ARTICLES A.—AGRICULTURAL PRODUCE.	Canada's Export to United Kingdom.	Canada's Total Exports.	United Kingdom Import from Foreign Countries.
Wheat .....	1,681	1,906	83,185
" Flour .....	381	556	47,070
Barley .....	20	5,503	22,590
Oats .....	703	893	19,910



TABLE XXIV.—Continued.

A.—AGRICULTURAL PRODUCE.—Continued.	Canada's Export to United Kingdom.	Canada's Total Exports.	United Kingdom Import from Foreign Countries.
Oatmeal . . . . .	241	250	845
Pease . . . . .	1,713	2,077	1,510
Maize . . . . .	11	11	41,180
Rye . . . . .	2	179	525
Meal, unenumerated . . . . .	17	19	350
Potatoes . . . . .	.....	234	1,405
Apples . . . . .	537	602	3,115
Total of above . . . . .	5,306	12,290	221,685
Total agricultural produce . . . . .	5,502	14,518	.....
B.—ANIMALS AND THEIR PRODUCE.			
Horned Cattle . . . . .	5,752	7,377	28,175
Sheep and Lambs . . . . .	456	1,261	7,720
Beef—			
Salted . . . . .	.....	34	2,195
Fresh . . . . .	.....	.....	11,275
Meat—			
Salted and Fresh . . . . .	14	16	395
Preserved and Canned . . . . .	30	30	5,210
Bacon . . . . .	628	630	30,415
Pork, Salted and Fresh . . . . .	11	35	2,480 920
Hams . . . . .	80	86	10,080
Butter (exclusive of Butterine) . . . . .	1,212	1,430	41,750
Cheese . . . . .	8,178	8,245	14,135
Total of above . . . . .	16,361	19,144	154,750
Total Animals and their Produce . . . . .	17,979	25,337	.....
C.—FISH.			
Fresh Fish . . . . .	.....	.....	3,500
Salted " . . . . .	.....	.....	4,545
Total of above . . . . .	.....	.....	8,045
Produce of Fisheries . . . . .	1,543	7,960	.....
D.—RAW MATERIALS.			
Copper Ore . . . . .	.....	246	2,250
Hides, Raw—			
Dry . . . . .	.....	.....	2,005
Wet . . . . .	139	601	6,545
Leather—			
Undressed . . . . .	.....	.....	4,180
Dressed, Sole and Upper . . . . .	403	419	10,340
Manure, Phosphate . . . . .	327	362	2,615
Oil, Fish . . . . .	47	116	1,375
Skins and Furs—			
Marine Animals . . . . .	88	179	.....
Sealskins . . . . .	.....	.....	2,015
Sheep . . . . .	2	20	1,850
Furs, undressed . . . . .	1,426	1,617	.....
" dressed . . . . .	6	9	2,220

TABLE XXIV.—Continued.

D.—RAW MATERIALS.—Continued.	Canada's Exports to United Kingdom.	Canada's Total Exports.	United Kingdom Import from Foreign Countries.
Tallow .....	3	4	4,685
Wool, Sheep and Lambs. ....	9	196	13,110
Ashes—			
Pot and Pearl. ....	140	156	.....
Alkali. ....			145
Total above. ....	2,590	3,925	53,335
" Produce of the Mine .....	1,543	7,960	.....
Wood and Timber, hewn—			
Fir .....			11,480
Oak .....			2,295
Unenumerated. ....			350
Sawn fir .....			33,545
Unenumerated .....			2,185
Staves. ....			2,580
Total of above Wood. ....			52,435
" Produce of the Forest. ....	9,577	20,989	.....
E.—MANUFACTURED AND OTHER ARTICLES.			
Animals, Horses .....	2	1,554	945
Iron and Steel—			
Sewing Machines. ....	47	69	1,260
Machinery and Iron Manufactures, N.E.S. ....	10	86	11,730
Leather—			
Boots and shoes. ....	9	70	1,720
Other Manufacturés. ....	17	20	1,085
Musical Instruments—			
Organs. ....	116	135	} 3,630
Pianos .....	1	8	
Wood—			
Furniture .....	21	169	} 1,345
Doors, Sashes, Blinds, etc. ....	44	46	
Other Manufactures. ....	201	470	
Carriages, Carts and Wagons. ....	3	17	
Agricultural Implements. ....	2	22	.....
Woolens—			
Yarn .....	} 27	} 55	1,105
For Weaving. ....			8,870
Cloths. ....			1,335
Stuffs .....			25,570
Unenumerated. ....			9,740
Books, Pamphlets, Maps, etc. ....	42	155	1,020
Ships. ....	78	246	.....
Total of above. ....	620	3,122	71,315
Total Manufactures Exported. ....	\$1,335	\$3,181	
" Miscellaneous " .....	54	557	
" Exports, produce of Canada. ....	36,479	76,183	
" " including not produce of Canada	41,871	84,263	

## TABLE XXVI.—(See page 84.)

List of Treaties containing clauses granting most favoured nation treatment in the matter of import and export duties and in shipping and trade.

1. Those expressly or by the generality of their terms referring to all British subjects and to British possessions all over the world :—

Austria, 1868 (XII. 1109)\*, 1876 (XIV. 164)\*; Chili, 1854 (IX. 949)\*; China, 1858 (XI. 91)\*; Colombia, 1866 (XII. 366)\*; Corea, 1883 (XV. 887)\*; Denmark, 1860-70 (I. 181,188); renewed 1814; Dominican Republic, 1850 (VIII. 983)\*; Johanna, 1850 (IX. 549)\*; Madagascar, 1865 (XII. 637)\*; Morocco, 1856 (X. 905, 915)\*; Nicaragua, 1860 (XI. 452)\*; Persia, 1841 (VI. 589)\*; 1857 (X. 949)\*; Portugal, 1842 (VI. 599)\*; Russia, 1859 (X. 1060)\*; Sweden, 1654-1766-1812-1813 (II. 311,335); Sweden and Norway, 1826 (III. 435)\*; Switzerland, 1855 (X. 594)\*; Tonga, 1879 (XV. 396)\*; Tripoli, 1751 (I. 149); Renewed 1812. Turkey, 1861 (XI. 561), (this is marked as expired, but the time or mode of expiring does not appear.)

2. Similar to the above, but with a clause that future reductions of tariff are to be extended gratuitously only if gratuitously granted to other foreign countries, and upon like compensation if such reductions are conditional :

Liberia, 1848\* (VIII. 737), and possibly some of the others above.

3. The following stipulate for liberty of commerce as well as most favoured nation treatment with British possessions in Europe, and for most favoured nation treatment only, in British possession out of Europe :

Argentine Confederation, 1825\* (III. 45).

Bolivia\* 1840 (VI. 91). Costa Rica\* 1849 (VIII. 134).

Venezuela, 1825 (Colombia, III. 57); 1834 (IV. 534).

4. The following similarly restricted and with the above distinction between gratuitous and conditional concessions :

Equator† 1851\* (IX. 243).

5. The following refer to the United Kingdom and to the Colonies, except those expressly excluded in virtue of a protocol :

◊ Italy\* 1883 (XV. 777); Montenegro\* 1882 (XV. 241); Roumania\* 1880 (XV. 314); Servia, 1879\* (XIV. 1150); 1880\* (XV. 342).

There is a similar clause of exclusion in the treaty with Corea, 1883. (XV. 887)\*, but none of the Colonies have availed themselves of it.

6. The following appear to affect the United Kingdom or British possessions in Europe alone : Denmark, Convention 1824\* (III. 74-77). Portugal, Convention 1882\* (XV. 294); United States, 1815, 1818\* (II. 387, 394), 182.\* (IV. 499).

7. The same with the above distinction between gratuitous and conditional extension of privileges : the Netherlands, 1837 (V. 338, 343).

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\*The references are to the volumes and pages of Hertslet's Commercial Treaties Those marked with an asterisk are noted as in force 1st January, 1885.

†Spelt thus in the Treaty. It is commonly spelt Ecuador.

8. In the following, the engagement is to grant the most favoured treatment, and to impose no other or higher duties than on like produce of any other, or any third "country":

Austria, 1868\* (XII. 1109 sqq.), 1876\* (XIV. 164); Roumania, 1880\* (XV. 314); The Netherlands, 1837 (V. 338, 343); Montenegro, 1882\* (XV. 241); Tunis, 1875 (XIV. 542).

9. Finally there are two treaties, one with Belgium, 1862\* (XI, 68-71), and the other with Prussia and the other States of the German Zollverein, 1865\* (XII. 762), in the latter of which the expression used is likewise "any third country the most favoured," and in both of which there is provision that the produce of those countries is to be subjected in the British Colonies to no other or higher duties than the produce of the United Kingdom of Great Britain and Ireland, or in the language of the Belgian Treaty, than "similar articles of British origin."\*\*

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\*In force 1st January, 1885.

\*\*The above list of treaties was compiled before the Return of such Treaties presented on motion of Mr. Octavius V. Morgan, M.P., or Mr. Howard Vincent, M.P., to Parliament (on Address of 27th April, 1888), and with a slightly different object in view. But while the Return brings the information down to a later date than the list here given, there does not seem to be any serious discrepancy between the two.







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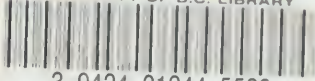
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